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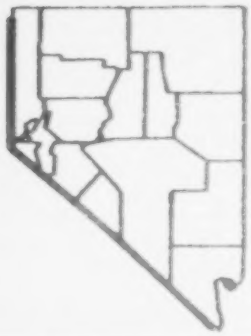


Nevada Employment Security Department

# economic update

RICHARD H. BRYAN
Governor

STANLEY P. JONES
Executive Director

## ECONOMIC UPDATE
Unemployment Rate
(SeasonallyAdjusted)

| | | JUL | AUG | SEP |
|---|---|---|---|---|
| Nevada | 1988 | 5.2% | 5.4% | 5.1% |
| | 1987 | 6.5 | 6.2 | 6.1 |
| Las Vegas | 1988 | 5.6 | 5.7 | 5.2 |
| | 1987 | 6.9 | 6.4 | 6.1 |
| Reno | 1988 | 4.7 | 4.8 | 4.3 |
| | 1987 | 5.7 | 5.7 | 5.3 |
| U.S | 1988 | 5.4 | 5.6 | 5.4 |
| | 1987 | 6.0 | 6.0 | 5.9 |

### Consumer Price Index*
All Urban Consumers
*(1982 - 84 = 100)

| | JUL | AUG | SEP |
|---|---|---|---|
| 1988 | 118.5 | 119.0 | 119.8 |
| 1987 | 113.8 | 114.4 | 115.0 |

### Gross Gaming Revenues
(In Thousands)

| | 2nd Qtr. 1988 | 2nd Qtr. 1987 |
|---|---|---|
| Nevada | $1,050,271 | $979,790 |
| Las Vegas | 720,835 | 677,565 |
| Reno | 196,736 | 179,078 |

### Taxable Sales
(In Thousands)

| | 2nd Qtr. 1988 | 2nd Qtr. 1987 |
|---|---|---|
| Nevada | $2,941,700 | $2,578,119 |
| Las Vegas | 1,587,864 | 1,443,178 |
| Reno | 642,011 | 580,853 |

## NEVADA ECONOMY

### 3rd Quarter 1988

Nevada's economy remained vibrant throughout the third quarter of 1988. The period began with a 5.2 percent jobless rate for July before rising slightly to 5.4 percent in August. In September, the jobless rate declined to 5.1 percent which was the lowest unemployment rate for the Silver State in eight years. Throughout the quarter, the Nevada unemployment rate remained well below the national rate. In July, the U.S. jobless rate stood at 5.4 percent before increasing to 5.6 percent in August, then falling back to the 5.4 percent level at the end of the quarter. California's jobless count started the same period at 5.4 percent, rose slightly to 5.6 percent in August before falling to 5.2 percent in September.

Industrial employment in Nevada showed continued strong growth over-the-year. July industrial employment was 6.1 percent higher than one year ago. August and September also witnessed increased job growth of 5.7 and 5.9 percent, respectively. At the end of the quarter, 30,000 more jobs existed in the state than in September 1987. Every major industry reported positive employment growth with services showing the largest gain as 13,000 new positions were created over-the-year. Of the total service jobs, 9,200 were created in the hotels, gaming, and recreation sector (HGR) alone. The trade industry also showed strong economic growth as 5,500 jobs were created since last September. The majority of the trade positions (+4,500) occurred in the retail sector. Employment gains were also quite healthy in

construction as an over-the-year increase of 4,100 jobs were reported.

The Balance of State (BOS) economy continues to improve due to the tremendous growth in the mining industry that is occurring in several of Nevada's rural counties. Mining added a total of 2,400 jobs statewide over-the-year for a 28.2 percent increase. This trend should continue as new mines open while others expand their operations.

On the national front, establishment based industrial employment saw an increase of 674,000 new jobs over-the-quarter. By the end of the period, total nonfarm employment reached a level of 106.7 million. Much of this increase occurred in the government sector due to the gains in public education. Other service-producing industries which witnessed notable gains were health services, transportation and public utilities (TCPU), and wholesale trade. In the goods-producing sector, factory employment edged down for the second consecutive month this quarter. Construction was little changed while the oil and gas component of the mining industry also edged downward.

The forecast for the Nevada economy calls for a further decline in the unemployment rate for next month. As the winter months approach, seasonal declines may occur in some sectors. However, total employment growth should remain steady. Overall, Nevada's economy looks strong heading into the fourth quarter.

## LAS VEGAS

Economic activity in Las Vegas continued to be a driving force in the State's growth. Vibrant conditions in the area were mirrored by a rapidly expanding job market, and strength in other economic indicators. Second quarter taxable sales, a good barometer of the retail trade sector, increased by 10 percent over the year-ago quarter. In addition, second quarter gross gaming revenues were up 6.4 percent over the year. Tourists continued to flock to the area as over 10 million visitors were counted during the first seven months of the year.

Labor force growth and relatively low unemployment each reflected the robust nature of the economy. In the third quarter, the size of the labor force continued to increase, reaching a new high of 342,200 people. During the three months of the quarter the labor force averaged 340,000, nearly 4.5 percent higher than the 325,700 average for the same period in 1987.

The level of joblessness continued its downward trend. Monthly unemployment rates were 5.6 percent, 5.7 percent, and 5.2 percent respectively. This was an avcrage unemployment rate of 5.5 percent for the quarter, significantly lower than the 6.5 percent recorded during the year-ago period. These numbers reflected a decline of more than 2,000 unemployed persons in the Las Vegas labor market over the year. In addition, the 5.2 percent rate during September was the lowest rate recorded in the area since January 1980.

The number of jobs, as reflected by establishment-based industrial employment, also mirrored the strength in the area economy. The number of jobs averaged 303,900 during the quarter, reaching an all-time high in September of 307,100. This average was 6 percent higher than the year ago figure and represented a gain of nearly 18,000 new jobs. The quarterly employment gains were stronger than expected for this time of year. Industries which reflected stronger than average growth include - construction, finance insurance and real estate (FIRE), trade, and service.

Relative employment gains were strongest in construction. Permits for new construction have been running more than 85 percent higher than last year and are significantly higher than any previous year. As of September, there were over 19,000 permits issued. In addition, significant commercial construction is underway in the area as many businesses are remodeling or expanding. FIRE is another industry reflecting strong employment growth. In many instances the strength of this industry is associated with construction activity.

Mortgage loans are strong, and insurance and real estate sales continue to expand to meet the needs of an rapidly expanding population.

A significant contributor to the job gains in the trade industry is the eating and drinking establishments sector of retail trade. Strong job gains in restaurants, bars and lounges reflected the need to provide service to the 10 million visitors to the area.

In the third quarter the service industry also demonstrated strong gains in employment as job gains in HGR steadily rose, reaching 96,900 jobs in September. Employment gains in HGR were expanding at an increasing rate when compared to a year ago. During the earlier months of 1988, HGR job gains were not as strong as expected, given a variety of other indicators. But, third quarter job gains picked up and grew faster than average.

The remaining industries - mining, manufacturing, transportation, communications and public utilities (TCPU), and government all reflected significantly less than average job gains. The airline sector of the transportation industry actually reflected some job losses over the year ending in September as a major Las Vegas air carrier suspended service to the area.

Although overall job gains in the government sector were less than average, job levels in the State and local education sector reflected strong increases over the year. In part, this is due to the numerous new educational facilities in the area.

During the remainder of 1988 the Las Vegas labor market should continue to experience favorable conditions. Visitor levels will probably reach new highs, spurring on strong revenue gains for casinos and higher taxable sales for the retail trade sector. Employment increases will continue at a strong pace as 1988 job gains will probably exceed 20,000. During the next quarter the unemployment rate should remain at or fall slightly below current estimates.

## RENO

Economic activity was very impressive in the Truckee Meadows this quarter. Employment stood at record levels while unemployment was lower than last year's rate. Tourism levels are favorable as many dollars are being spent by both private and governmental entities. Reno's multi-million dollar redevelopment program is nearing completion, making the downtown area more aesthetically pleasing. Similarly, Sparks has completed a renovation and downtown mall project in its business area to enhance tourism.

Joblessness in the area during the third quarter of 1988 has dropped to an average of 4.6 percent. The quarter began at 4.7 percent, a full percentage point below the year's highest level in January. It edged up to 4.8 percent in August, before dropping one-half of one point to 4.3 percent in September, its lowest level since November 1979. The area exhibited explosive growth during the late 1970's in the hotel/casino industry and joblessness was at very low levels. The current quarter's performance was largely attributed to a strong State and national economy, as well as gains in local employment. Further, the number of persons filing a claim for unemployment and those receiving an unemployment check are at comparatively low levels.

Establishment-based industrial employment reached a new high of 140,800 for the quarter, 4.3 percent higher a year ago. All industries showed positive year over year gains except for manufacturing. Services, which accounts for about 40 percent of total jobs, added 2,200 to its payrolls. It was surprising that gains in non-gaming employment totaled 1,700 while gaming was up by only 500, 1.5 percent higher than last year's level. Construction employment rose by 1,400 with substantial increases in all types of activity. Single and multiple family housing projects are underway in all parts of the county. In addition, there are numerous commercial projects in various stages of completion, including several major shopping center complexes and officebuildings.

Three substantial highway projects are being built that are valued at more than $35 million.

Jobs in wholesale and retail trade are up by 1,300 over the year, totaling more than 31,400. The bulk of the gain occurred in the retail sector in general merchandise and food stores. A regional food store company opened two outlets in the Reno-Sparks area with almost 400 new jobs. Further, this industry is benefitting from increased consumer spending. Employment in government is up by 700 while mining added 300 positions. FIRE and TCPU have added 100 each. In contrast, manufacturing was off by 300 due to the closures of several large employers. However, this sector has benefitted from job gains in numerous small establishments which have located their distribution centers and warehouses locally.

Tourism as measured by automobile vehicle traffic counts (cumulative through August) is up by three percent over a year ago. In contrast, air traffic counts at Reno Cannon International Airport are off by almost four percent, partially due to the bankruptcy of a major airline carrier. Additionally, a second airline has announced the abandonment of service to Reno. Hotel-motel occupancy rates averaged almost 70 percent for the first eight months of the year, off about four percent from last year. On a positive note, room tax revenue collections are up by 5.5 percent over the year. Another measure of economic strength is the 9.9 percent increase in gross gaming revenues for the second quarter of 1988. This gain (not seasonally adjusted) was greater than the 7.3 percent increase of the first quarter. Just the opposite occurred in quarterly taxable sales. The first quarter's gain was 14.9 percent, and then growing by 10.5 percent for the second quarter. Another indicator showing strength in the construction industry is building permits for single and multiple family units. Cumulative through August, these units are 26 percent higher than a year ago.

Business conditions are expected to remain favorable for the last quarter of the year. Joblessness should remain at low levels while employment will be boosted by the opening of two hotel/casinos. In addition, employment increases will occur during the holiday season.

## BALANCE OF STATE

The establishment based industrial employment growth in the balance of state (BOS) continued from the second quarter of 1988 into the third. The second quarter to third quarter total job increase was more than 4 percent - and was 7.3 percent greater than in the third quarter of 1987. That job gain is a quarter-to-quarter increase of 3,700 jobs and a year-over-year increase of 6,300.

The mining industry, with more than a 33 percent year-over-year gain, continues to have the highest percentage job growth of all industries in the BOS. Every industry except TCPU exhibited a year-over-year gain to the third quarter of 1988. TCPU remained level.

Future mining growth seems likely in spite of the September decline in gold prices. Although the price decline reduced profits somewhat, it did not eliminate them for most companies. In fact, there are new mining projects currently under development in Elko, Humboldt, Nye, and White Pine Counties. The announced information about Nevada mining would seem to indicate that at least another 200 to 400 workers will be hired by the end of the year.

The construction industry may see some seasonal easing of jobs, but the easing is not because there is no demand for construction. There are several scheduled mining construction projects, and there have been many residential and commercial building permits issued in several of the rural counties. The industry could continue to expand, but the fall and winter weather will regulate the construction level for the next several months.

Manufacturing job growth also appears positive through 1988. This is particularly true in the Carson City, Douglas, Lyon, Storey County region. Several new firms are now in

position to staff their plants, and some established firms are expanding. It will be difficult, however, to maintain the almost 14 percent growth rate achieved from the third quarter of 1987 to the third quarter of 1988.

As previously anticipated, trade employment is growing in the rural areas to meet the demands generated by the growth in other industries. Trade industry job growth showed an increase of 800 from the second quarter to the third, making it second only to service in terms of total new jobs created. This industry should also experience some seasonal slowing or even retreat, but the BOS area needs are not apt to disappear. Continued long-term growth seems likely.

Although the percentage growth rate for service employment has been less than mining, construction, manufacturing, and trade, it continues to provide the greatest number of jobs in the BOS counties - and it continues to grow. The growth can be expected to continue because many new businesses in the service sector are being developed and many existing ones are being expanded.

The BOS county job growth in 1988 has led to a general decline in unemployment rates over the year - with the exception of Storey County. The unemployment rates should remain relatively low for the rest of the year because of scheduled expansions within several industries throughout the State. Because of its small population, BOS unemployment rates can be highly volatile. In spite of that, the average BOS rates for the final three months of 1988 are not expected to exceed 6 percent and may flirt with 5 percent.

Gaming revenues for the BOS county areas have shown double-digit growth for fiscal year 1988 and taxable sales in 1988 have dramatically exceeded those recorded in 1987. The short-term outlook for the BOS region is for a continuation of the current strong growth trend. It was projected that 1988 would see strong industrial growth in the BOS counties. That projection still seems valid.

**Balance Of State**
**Unemployment Rates By County**
(seasonally adjusted)

| County | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | Jul | Aug | Sep | Jul | Aug | Sep |
| Carson City | 4.8% | 5.6% | 5.0% | 6.6% | 6.2% | 5.7% |
| Churchill | 5.8 | 6.5 | 6.9 | 7.6 | 7.5 | 7.1 |
| Douglas | 4.5 | 4.9 | 4.4 | 7.2 | 6.6 | 6.1 |
| Elko | 5.0 | 4.9 | 4.8 | 6.5 | 6.8 | 6.9 |
| Esmeralda | 5.8 | 5.6 | 6.4 | 6.4 | 7.3 | 6.3 |
| Eureka | 2.5 | 2.4 | 1.7 | 2.3 | 2.3 | 3.0 |
| Humboldt | 4.5 | 4.6 | 4.3 | 5.9 | 6.9 | 6.2 |
| Lander | 4.7 | 4.6 | 5.5 | 5.0 | 5.5 | 5.8 |
| Lincoln | 5.5 | 4.8 | 3.1 | 6.1 | 4.7 | 10.0 |
| Lyon | 5.1 | 5.3 | 5.0 | 7.2 | 6.9 | 7.0 |
| Mineral | 3.9 | 4.2 | 6.9 | 5.4 | 6.7 | 5.5 |
| Nye | 4.3 | 4.7 | 4.5 | 4.7 | 5.1 | 6.2 |
| Pershing | 4.7 | 2.7 | 2.9 | 4.6 | 4.5 | 3.8 |
| Storey | 5.7 | 3.9 | 5.7 | 4.7 | 4.8 | 4.9 |
| White Pine | 5.8 | 5.1 | 5.2 | 7.2 | 6.6 | 5.3 |

## The Labor Force in the Year 2000

by
Gary Lungstrum, Labor Economist

A number of factors help determine the business communities needs for labor, and, at the same time, there are many influences which guide an individual in choosing to work or not. It is in the aggregate that these many individual decisions make-up broad socio-economic trends. This has happened in the past, and it is expected to continue in the future. The Bureau of Labor Statistics (BLS), in its recently published national outlook for the year 2000, reviewed several growth alternatives and outlined the expectations associated with each scenario. This article will deal with the moderate, or middle, growth projection which BLS presented because it is the most likely course of events.

Within this context, two prevailing trends will persist: 1) the number of women in the labor force will continue to grow, and 2) further aging of the work force will occur, with an expected decrease in the labor force participation rate for those aged 55 +. Also, a slightly lower birth rate and higher immigration is assumed.

The studies' major conclusions called for the population aged 16 and above to increase by approximately 24 million between 1986 and 2000. At the same time, the civilian labor force and employment outlook called for gains of approximately 21 million each (see table 1). Compared to the past, a slowing in the rate of population (16 +) growth is expected. This, in turn, will affect the rate of expansion of the civilian labor force. It too will slow its rate of growth. In contrast, expected increases in employment should continue at the current pace, approximating that of the period 1979-1986.

TABLE 1

UNITED STATES

CIVILIAN NONINSTITUTIONAL POPULATION 16 +, CIVILIAN LABOR FORCE, AND PARTICIPATION RATE
BY SEX, AGE (IN THOUSANDS)

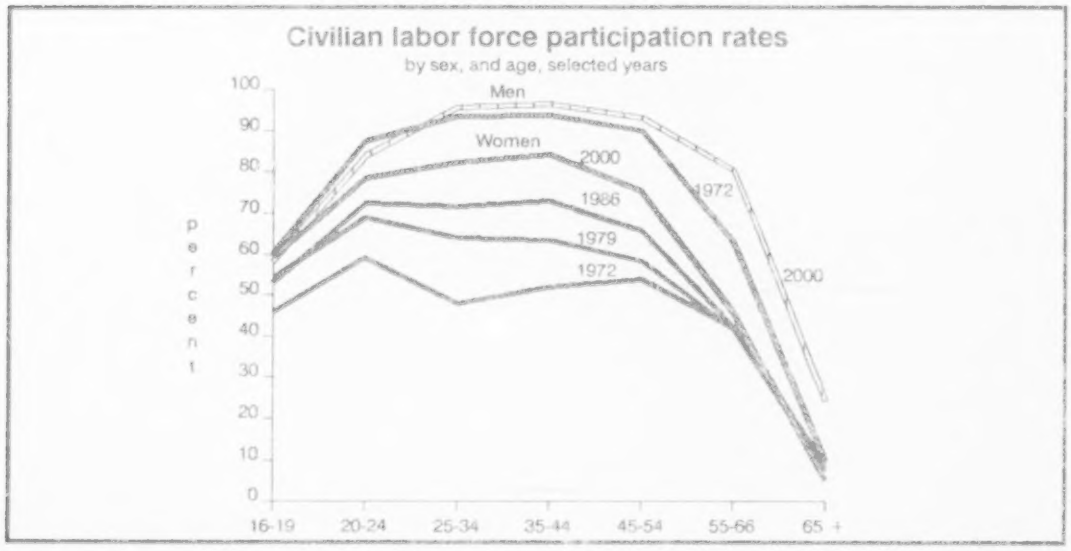
| | 16 + POPULATION | | | CIVILIAN LABOR FORCE | | | PARTICIPATION RATE (%) | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1979 | 1986 | 2000 | 1979 | 1986 | 2000 | 1979 | 1986 | 2000 |
| Total 16 + | 164,865 | 180,589 | 204,699 | 104,960 | 117,837 | 138,775 | 63.7 | 65.3 | 67.8 |
| Men 16 + | 78,021 | 85,799 | 97,962 | 60,727 | 65,423 | 73,136 | 77.8 | 76.3 | 74.7 |
| 16-24 | 18,184 | 16,773 | 15,489 | 13,645 | 12,251 | 11,506 | 75.0 | 73.0 | 74.3 |
| 25-54 | 40,184 | 47,343 | 57,250 | 37,926 | 44,406 | 53,024 | 94.4 | 93.8 | 92.6 |
| 55 + | 19,653 | 21,683 | 25,223 | 9,156 | 8,766 | 8,606 | 46.6 | 40.4 | 34.1 |
| Women 16 + | 88,844 | 94,790 | 106,737 | 44,233 | 52,414 | 65,639 | 50.9 | 55.3 | 61.5 |
| 16-24 | 18,827 | 17,293 | 15,999 | 11,760 | 11,117 | 11,125 | 62.5 | 64.3 | 69.5 |
| 25-54 | 42,692 | 49,672 | 59,094 | 26,594 | 35,159 | 47,756 | 62.3 | 70.8 | 80.8 |
| 55 + | 25,325 | 27,825 | 31,644 | 5,879 | 6,138 | 6,758 | 23.2 | 22.1 | 21.4 |

*Source: Department of Labor, Bureau of Labor Statistics*

A trend which was identified earlier, the continued growth of women in the labor force, plays a significant role in these developments. In the future it is anticipated that women will account for over 60 percent of total labor force growth. This is a result of increases in their labor force participation rate that is expected to rise from 55.3 percent in 1986 to 61.5 percent by the year 2000. Importantly, this trend will continue to narrow the gap between men's and women's labor force participation rates. While increasing in number, however, the rate at which women enter the labor force will be at a slower pace than in the past. Also, it is anticipated that the rate for men will continue to decline slightly (76.3 percent in 1986 compared to 74.7 percent in 2000). In the year 2000, women will comprise approximately 47 percent of the labor force, totaling an estimated 65,639,000 individuals. Comparatively, the male civilian labor force is expected to reach 73,136,000.

There are many reasons for the changing attitude of women with respect to their labor force attachment. During the 1960's and 1970's significant socio-economic changes modified expectations, particularly among women of the prime working age 25 to 54. During this period, the economy was showing extremely strong job growth in the service and public sectors; higher educational goals were being achieved; values were changing; and the birth rate underwent a sharp decline. Subsequently, many women choose to enter full-time career-oriented occupations.

Changes are also occurring in the family. To illustrate, the female labor force participation rate during earlier years reflected an 'M' shape over the entire age spectrum. This was due to the child-bearing years and the desire to stay home and raise a family. More recently, the shape of this curve has started to resemble the shape of the males - an inverted 'U'. Now, there is a tendency to return to work shortly after child-birth (see chart 1).




In summary, women's attachment to the labor force has increased dramatically since World War II; women now work more hours per week and more weeks per year than they did even 10 to 20 years ago. Futhermore, this trend is expected to continue as male and female labor force patterns converge over the life cycle.

## Changes to the NevadaEconomic DataBase System(NEDS)

The Nevada Economic Database System (NEDS), which provides state and national labor market information, is continually being updated and improved. Accessing the dial up computer database is now easier. A user identification and password are required, however. The message component is no longer available due to changes in the software package being used.

A user may now print a report or view it on the screen. Previously, only the 'print screen' key could be used to print a report.

Recent data revisions include the addition of First Quarter 1988 Small County Industrial Employment and Wages. The publication Nevada Wages 1988 is also currently available on NEDS. Second Quarter 1988 Gross Gaming Revenues and Taxable Sales are also available. Other state and national economic variables are updated as new information is released.

No fees are charged for accessing NEDS, other than the cost of a telephone call to Carson City. For additional information, contact:

Nevada Employment Security Department
Research Section
500 E. Third Street
Carson City, Nevada 89713
Telephone (702) 885-4550
Attn: Zina Turney or Kim Harris

## Unemployment Insurance Update

by
Bob Butler, Labor Economist

In spite of a recent report made to Congress projecting that another economic downturn could result in a large number of insolvent Unemployment Insurance Programs and sizable state borrowing, Nevada's program appears to be in a position to avert depletion. Currently at $265.3 million, Nevada's Unemployment Insurance Trust Fund has enough reserves to withstand a recessionary period of nearly eighteen months, which is the minimum balance recommended by the Department of Labor.

Nevada's Trust Fund balance has been steadily improving over the past decade due in part to a combination of legislative and economic factors. Following the fund's depletion in early 1976, a series of state legislation enacted in 1975, 1977, and 1979 increased taxing flexibility, while at the same time, reduced benefit payments through stiffer penalties to certain claimant groups.

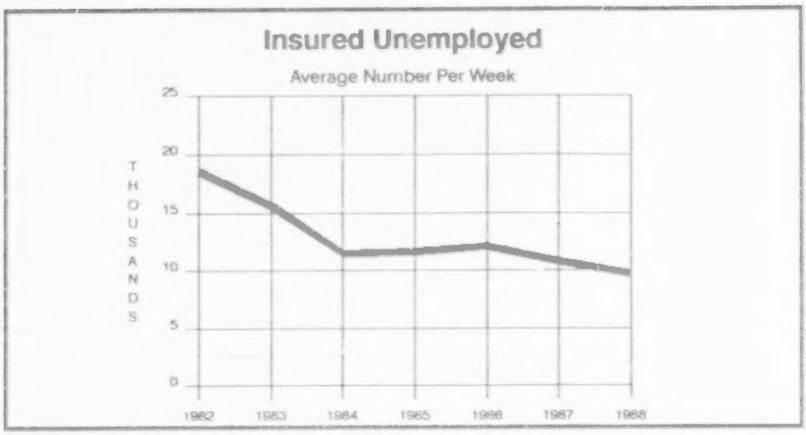
Economic strength, especially during the past five year recovery period has contributed significantly to the reduction in the number of unemployed and therefore to a reduction in unemployment benefits. The average weekly number of beneficiaries (9,700 per week, estimated for 1988) has dropped almost in half from the high of 18,500 per week registered in the 1982-3 recession. The rate of insured unemployment, i.e., insured unemployment divided by covered employment, stood at 1.64 percent at the end of September 1988, the lowest rate in the last twenty-five years.

In addition to fewer claimants, the average weekly duration of those drawing benefits has dropped by over four weeks, from 16.1 weeks in 1983 to 11.9 weeks as of September 1988. A further encouraging statistic is a similar drop in the percentage of claimants drawing all their benefit entitlement. The rate of benefit exhaustion was nearly forty percent in 1982-3, but has steadily dropped to less than twenty four percent by September 1988.

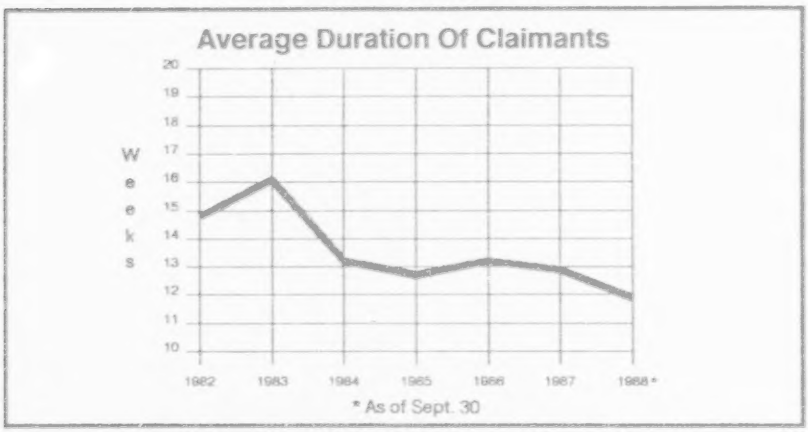
With the economic climate expected to remain favorable through at least the first half to three quarters of 1989, Nevada's Unemployment Insurance Trust Fund should continue to be sufficient to meet future benefit commitments.

Note: The graphs on the following page make reference to this article.

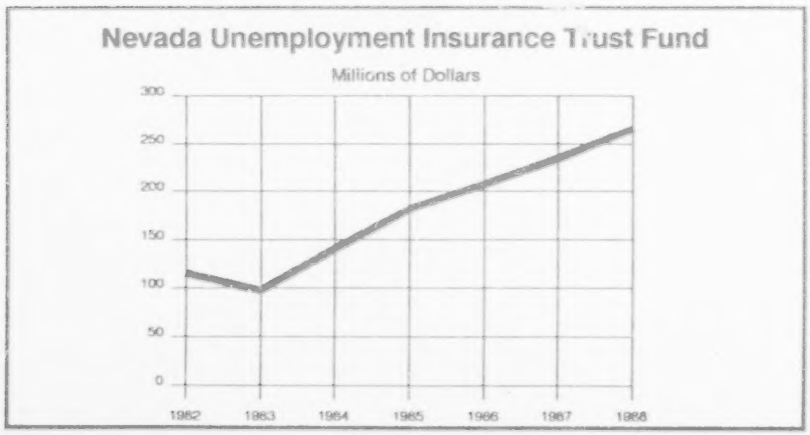
. . . Fewer claimants drawing benefits




. . . And less weeks being drawn




Have contributed to the health of Nevada's Unemployment Fund



**BLS Reports on Labor Market Situation Among Disabled Veterans of the Vietnam Era ***

by

Lynda Yorgey, Labor Economist

The Bureau of Labor Statistics (BLS) conducted a survey in November 1987 to gather information for a special study of veterans of the Vietnam era. What the BLS discovered was that veterans with service-connected disabilities and those who had actually served in Southeast Asia experienced greater labor market problems than other veterans. The unemployment rate for male Vietnam-era veterans with service-related disabilities was 6.2 percent, while those without disabilities experienced a 4.7 percent jobless rate.

Disability and Labor Force Participation

In November 1987, there were 25.5 million male veterans aged 18 years or older. Of this number, 7.9 million had served during the Vietnam era (August 1964 to April 1975) where nearly half (3.8 million) served in the Vietnam theater[1] of operations. The labor force participation rate for this group of veterans was 92 percent which was not much different from either those who served elsewhere during the period or men of the same ages (25-54 years) who never served.

A total of 810,000 Vietnam-era veterans reported service-connected disabilities. Of this number, close to two-thirds (530,000) had served in Southeast Asia. The extent of disability reported by both Vietnam-theater and non-theater veterans was very similar; about three-fifths of both groups had disability ratings of less than thirty percent. These men with lower disability levels were about as likely to participate in the labor force as those who reported no disability. In contrast, the Vietnam-era veterans who reported a disability rating of sixty percent or higher were less likely to be in the labor force (only about one-third).

Unemployment

The unemployment rate for all Vietnam-era veterans in November 1987 was 4.8 percent Two-thirds of these veterans were 35-44 years of age, and their unemployment rate was 4.3 percent. Men who served in the Vietnam theater had a slightly higher unemployment rate than those who served elsewhere during the Vietnam era - 5.2 versus 4.3 percent. Disabled veterans experienced higher unemployment rates (6.2 percent) than did other veterans (4.7 percent).

Employment

According to the survey, Vietnam-era veterans are more likely to be employed in the public sector (21 percent) than are non-veterans of the same age (12 percent). Of those with a service-connected disability, more than one-third work in Federal, state, or local government jobs. In terms of occupations, veterans who had served in Southeast Asia were distributed very similarly to men who had served elsewhere during the period, with few exceptions. The former group was more likely to be in administrative support, machine operator, and transportation occupations and less likely to be in managerial and professional positions.

Use of Veterans' Programs

The November survey showed that approximately one-half of the 7.9 million veterans from the Vietnam era took advantage of special education and training programs. The program which was named most frequently was the GI Bill. The disabled veterans and those men who served in the war theater were more likely to take advantage of the veterans' programs than were other veterans.

Effect of Disability

Disabled veterans who were either unemployed or not in the labor force in November 1987 were asked whether they believed that their disability hindered them in their search for a job or in their ability to hold a job. Over one-half of all Vietnam-era veterans reported their disabilities had adversely

affected their employment experience.

Female Veterans

Of the nation's one million female veterans, about 250,000 served during the Vietnam era. This group comprised approximately three percent of all veterans of that period. Their labor force participation rate (76.1 percent) and unemployment rate (5.8 percent) are similar to the rates for women of the same ages (25-54 years) who did not serve in the Armed Forces.

Disabled Veterans of Other Service Periods

In addition to the 810,000 disabled veterans of the Vietnam era, there were 1.5 million veterans from other service periods with service-related disabilities as of November 1987. A large majority of them (1.3 million) served during World Wars I and II and Korea. The low labor force participation rate of 33.5 percent for these veterans reflects not only their disability, but also the fact that most of them are of retirement age or beyond. The November study confirmed that, as with Vietnam-era veterans, disabled veterans from other wars experienced higher (5.3 percent) joblessness than did the non-disabled veterans (2.9 percent).

The November 1987 survey of veterans - a special supplement to the Current Population Survey - was sponsored jointly by the Veterans Administration and the Bureau of Labor Statistics and the Veterans Employment and Training Service of the U.S. Department of Labor. For more information regarding this article, call (202) 523-1371 and refer to USDL Report #88-489.

* This article is a summary of a prepared News Release from the U.S. Dept. of Labor - Bureau of Labor Statistics (USDL 88-489).

[1] Vietnam-theater status is determined from responses to the following question asked of Vietnam-era veterans: "Did you serve in Vietnam, Laos, or Cambodia; in the waters in or around these countries; or fly missions over these areas between August 1964 and April 1975?"

## NEVADA WAGES 1988

by
George Anastassatos, Labor Economist

The research section of the Nevada Employment Security Department has recently completed and published updated 1988 occupational wage rates. This publication is prepared from a survey of wages that is conducted on an annual basis to aid businesses, government decision makers, and job seekers in evaluating earnings in the labor market. Wages shown in the employer survey represent private and public sector weighted minimum and maximum hourly wage rates for selected occupations as of July 1988.

The private industrial segment of the labor market was divided into two broad categories in order to make it easier to collect and differentiate wages. These categories were defined as the service industry (Standard Industrial Classification (SIC) codes 70-89) and selected industries which includes all the remaining industries. Geographically, data are presented for the Reno area (Washoe County), Las Vegas area (Clark County), the Rural balance of the state (15 county composite), as well as an overall State average. This document is available at no charge (call (702) 885-4550).

A sample of the wage data is presented on the following page.

| Occupation | Reno MSA | Las Vegas MSA | Rural |
|---|---|---|---|
| | | Service Industry | |
| Accountant/Auditor | $9.31-$12.32 | $9.64 -$19.16 | $9.74-$14.15 |
| Automotive Mechanic | 10.20 -13.13 | 10.56 - 12.60 | 8.24 - 11.34 |
| Bartender | 4.75 - 7.05 | 7.57 - 9.73 | 4.66 - 5.97 |
| Cage Cashier, Gaming | 5.37 - 7.61 | 6.89 - 10.04 | 5.27 - 7.58 |
| Dealer Blackjack | 3.84 - 5.05 | 3.67 - 5.21 | 3.99 - 5.65 |
| Dealer Craps | 4.27 - 5.39 | 3.68 - 5.30 | 3.79 - 6.10 |
| | | Non-Service Industries | |
| Carpenter | 10.56 - 19.16 | 12.27 - 21.08 | 7.06 - 12.48 |
| Cashier | 5.08 - 10.00 | 4.03 - 6.05 | 4.97 - 9.09 |
| Chemist | 12.57 - 17.29 | 13.35 - 18.78 | 10.91 - 18.23 |
| Computer Operator | 7.86 - 11.02 | 7.78 - 11.37 | 8.54 - 10.79 |
| Financial Manager | 11.82 - 19.42 | 12.78 - 20.63 | 18.66 - 24.34 |
| Machinist | 10.97 - 13.84 | 7.93 - 13.70 | 8.12 - 13.45 |
| | | Public Sector | |
| Appraiser, Real Estate | 12.74 - 16.96 | 10.16 - 14.02 | 8.45 - 10.41 |
| General Office Clerk | 7.80 - 10.17 | 7.87 - 10.43 | 6.04 - 9.08 |
| Personnel Clerk | 8.89 - 11.66 | 9.72 - 12.53 | 7.29 - 9.52 |
| Secretary | 7.67 - 10.13 | 7.79 - 10.51 | 7.66 - 10.02 |
| Typist, Word Processing | 7.53 - 9.94 | 7.42 - 9.98 | 7.30 - 9.74 |
| Welder and Cutter | 10.02 - 13.90 | 10.36 - 14.32 | 9.12 - 11.88 |

## NEVADA LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | JUL | AUG | SEP P | JUL | AUG | SEP |
| CIVILIAN LABOR FORCE | 586.4 | 586.6 | 590.1 | 564.0 | 563.6 | 563.6 |
| UNEMPLOYMENT | 29.7 | 29.4 | 26.8 | 35.4 | 32.8 | 30.8 |
| NEMPLOYMENT RATE | 5.1% | 5.0% | 4.5% | 6.3% | 5.8% | 5.5% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 5.2% | 5.4% | 5.1% | 6.5% | 6.2% | 6.1% |
| TOTAL EMPLOYMENT 1/ | 556.7 | 557.2 | 563.3 | 528.5 | 530.8 | 532.8 |
| NONAGRICULTURAL EMPLOYMENT | 550.2 | 548.8 | 556.7 | 521.3 | 523.6 | 526.8 |
| AGRICULTURAL EMPLOYMENT | 6.5 | 8.4 | 6.6 | 7.2 | 7.2 | 6.0 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | JUL | AUG | SEP P | JUL | AUG | SEP |
| TOTAL NONAGRICULTURAL | 535.3 | 535.8 | 541.6 | 504.4 | 507.6 | 511.6 |
| MINING | 11.0 | 10.9 | 10.9 | 8.2 | 8.3 | 8.5 |
| METAL MINING | 9.5 | 9.5 | 9.5 | 7.0 | 7.0 | 7.2 |
| CONSTRUCTION | 35.1 | 35.3 | 35.3 | 31.4 | 31.7 | 31.2 |
| MANUFACTURING | 24.5 | 24.5 | 24.3 | 23.6 | 23.8 | 23.5 |
| DURABLE GOODS | 14.4 | 14.5 | 14.3 | 14.3 | 14.4 | 14.1 |
| STONE, CLAY & GLASS PRODUCTS | 1.8 | 1.8 | 1.8 | 1.7 | 1.7 | 1.6 |
| PRIMARY METAL INDUSTRIES | 1.2 | 1.2 | 1.2 | 1.1 | 1.1 | 1.1 |
| NON-DURABLE GOODS | 10.1 | 10.0 | 10.0 | 9.3 | 9.4 | 9.4 |
| FOOD PRODUCTS | 1.6 | 1.6 | 1.5 | 1.6 | 1.6 | 1.5 |
| PRINTING & PUBLISHING | 4.5 | 4.4 | 4.5 | 4.3 | 4.3 | 4.3 |
| CHEMICALS | 0.8 | 0.7 | 0.8 | 0.8 | 0.8 | 0.8 |
| TRANSPORTATION & PUBLIC UTILITIES | 28.6 | 28.6 | 28.7 | 28.0 | 27.9 | 28.0 |
| TRANSPORTATION | 16.7 | 16.7 | 16.8 | 16.2 | 16.1 | 16.2 |
| RAILROAD | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| TRUCKING & WAREHOUSE | 4.8 | 4.8 | 4.8 | 4.6 | 4.5 | 4.6 |
| AIR | 4.2 | 4.2 | 4.3 | 4.4 | 4.3 | 4.4 |
| PUBLIC UTILITIES | 11.9 | 11.9 | 11.9 | 11.8 | 11.8 | 11.8 |
| TOTAL TRADE | 109.0 | 109.3 | 109.3 | 103.2 | 103.8 | 103.8 |
| WHOLESALE | 20.1 | 20.2 | 20.0 | 18.9 | 19.0 | 19.0 |
| RETAIL | 88.9 | 89.1 | 89.3 | 84.3 | 84.8 | 84.8 |
| GENERAL MERCHANDISE & APPAREL | 13.9 | 14.0 | 14.0 | 14.3 | 14.4 | 14.4 |
| FOOD STORES | 13.8 | 13.9 | 13.7 | 12.4 | 12.7 | 12.6 |
| AUTO DEALERS & SERVICE STATIONS | 12.3 | 12.5 | 12.4 | 11.5 | 11.4 | 11.3 |
| EATING & DRINKING PLACES | 30.5 | 30.3 | 30.4 | 28.4 | 28.6 | 28.9 |
| FINANCE, INSURANCE & REAL ESTATE | 25.3 | 25.3 | 25.2 | 23.7 | 24.0 | 24.1 |
| FINANCE | 11.5 | 11.4 | 11.3 | 10.8 | 10.9 | 11.0 |
| SERVICE INDUSTRIES | 238.7 | 239.4 | 240.5 | 225.9 | 227.9 | 227.5 |
| HOTELS, GAMING & RECREATION | 148.9 | 149.2 | 149.9 | 140.6 | 141.8 | 140.7 |
| PERSONAL | 6.3 | 6.4 | 6.4 | 6.0 | 6.1 | 6.1 |
| BUSINESS | 29.4 | 29.7 | 29.7 | 28.4 | 28.9 | 29.4 |
| MEDICAL & HEALTH | 22.5 | 22.5 | 22.7 | 21.2 | 21.3 | 21.4 |
| GOVERNMENT | 63.1 | 62.5 | 67.4 | 60.4 | 60.2 | 65.0 |
| FEDERAL | 11.4 | 11.4 | 11.4 | 11.7 | 11.7 | 11.6 |
| STATE & LOCAL | 51.7 | 51.1 | 56.0 | 48.7 | 48.5 | 53.4 |
| EDUCATION - STATE & LOCAL | 20.0 | 19.8 | 25.5 | 18.8 | 18.7 | 23.8 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | JUL | AUG | SEP P | JUL | AUG | SEP |
| CIVILIAN LABOR FORCE | 339.3 | 338.6 | 342.2 | 325.9 | 324.9 | 326.3 |
| UNEMPLOYMENT | 19.3 | 19.1 | 17.3 | 22.8 | 20.5 | 19.3 |
| UNEMPLOYMENT RATE | 5.7% | 5.6% | 5.1% | 7.0% | 6.3% | 5.9% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 5.6% | 5.7% | 5.2% | 6.9% | 6.4% | 6.1% |
| TOTAL EMPLOYMENT 1/ | 320.0 | 319.5 | 324.9 | 303.2 | 304.3 | 306.9 |
| NONAGRICULTURAL EMPLOYMENT | 318.5 | 317.5 | 323.3 | 301.4 | 302.6 | 305.5 |
| AGRICULTURAL EMPLOYMENT | 1.6 | 2.1 | 1.6 | 1.8 | 1.8 | 1.5 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | JUL | AUG | SEP P | JUL | AUG | SEP |
| TOTAL NONAGRICULTURAL | 302.1 | 302.4 | 307.1 | 284.0 | 285.8 | 289.0 |
| MINING | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| CONSTRUCTION | 21.0 | 20.9 | 20.7 | 19.3 | 19.4 | 18.9 |
| MANUFACTURING | 8.9 | 9.0 | 9.0 | 8.8 | 8.8 | 8.8 |
| DURABLE GOODS | 4.4 | 4.4 | 4.4 | 4.4 | 4.4 | 4.4 |
| STONE, CLAY, & GLASS PRODUCTS | 1.0 | 0.9 | 0.9 | 0.8 | 0.8 | 0.8 |
| NON-DURABLE GOODS | 4.5 | 4.6 | 4.6 | 4.4 | 4.4 | 4.4 |
| FOOD PRODUCTS | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| PRINTING & PUBLISHING | 2.1 | 2.1 | 2.2 | 2.1 | 2.0 | 2.1 |
| CHEMICALS | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| TRANSPORTATION & PUBLIC UTILITIES | 16.2 | 16.2 | 16.2 | 15.8 | 15.6 | 15.8 |
| TRANSPORTATION | 9.9 | 9.9 | 9.9 | 9.6 | 9.4 | 9.6 |
| RAILROAD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| AIR | 3.0 | 3.0 | 3.1 | 3.2 | 3.2 | 3.3 |
| PUBLIC UTILITIES | 6.3 | 6.3 | 6.3 | 6.2 | 6.2 | 6.2 |
| TOTAL TRADE | 64.4 | 64.3 | 64.3 | 60.4 | 61.0 | 61.1 |
| WHOLESALE | 10.7 | 10.8 | 10.7 | 10.0 | 10.2 | 10.2 |
| RETAIL | 53.7 | 53.5 | 53.6 | 50.4 | 50.8 | 50.9 |
| GENERAL MERCHANDISE & APPAREL | 7.8 | 7.9 | 7.8 | 8.2 | 8.2 | 8.2 |
| EATING & DRINKING PLACES | 19.5 | 19.2 | 19.3 | 17.9 | 18.0 | 18.2 |
| FINANCE, INSURANCE & REAL ESTATE | 15.5 | 15.5 | 15.5 | 14.3 | 14.4 | 14.6 |
| FINANCE | 7.1 | 7.1 | 7.0 | 6.6 | 6.7 | 6.7 |
| SERVICE INDUSTRIES | 144.2 | 145.0 | 146.9 | 134.9 | 136.2 | 136.7 |
| HOTELS, GAMING & RECREATION | 94.6 | 95.3 | 96.9 | 88.1 | 88.6 | 88.9 |
| PERSONAL | 4.2 | 4.3 | 4.3 | 3.9 | 4.0 | 3.9 |
| BUSINESS | 15.0 | 15.1 | 15.1 | 14.5 | 15.0 | 15.2 |
| GOVERNMENT | 31.6 | 31.2 | 34.2 | 30.2 | 30.1 | 32.8 |
| FEDERAL | 6.4 | 6.4 | 6.4 | 6.3 | 6.3 | 6.3 |
| STATE & LOCAL | 25.2 | 24.8 | 27.8 | 23.9 | 23.8 | 26.5 |
| EDUCATION - STATE & LOCAL | 10.0 | 10.0 | 13.2 | 9.5 | 9.4 | 12.1 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## RENO LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | JUL | AUG | SEP P | JUL | AUG | SEP |
| CIVILIAN LABOR FORCE | 143.3 | 143.1 | 143.3 | 139.5 | 139.7 | 140.0 |
| UNEMPLOYMENT | 6.0 | 5.9 | 5.2 | 7.1 | 7.0 | 6.4 |
| EMPLOYMENT RATE | 4.2% | 4.2% | 3.6% | 5.1% | 5.0% | 4.6% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 4.7% | 4.8% | 4.3% | 5.7% | 5.7% | 5.3% |
| TOTAL EMPLOYMENT 1/ | 137.4 | 137.2 | 138.1 | 132.4 | 132.8 | 133.7 |
| NONAGRICULTURAL EMPLOYMENT | 136.5 | 136.0 | 137.2 | 131.4 | 131.8 | 132.8 |
| AGRICULTURAL EMPLOYMENT | 0.9 | 1.1 | 0.9 | 1.0 | 1.0 | 0.8 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | JUL | AUG | SEP P | JUL | AUG | SEP |
| TOTAL NONAGRICULTURAL | 140.0 | 140.7 | 141.6 | 133.8 | 134.9 | 136.2 |
| MINING | 1.1 | 1.2 | 1.2 | 0.9 | 0.9 | 0.9 |
| CONSTRUCTION | 8.6 | 8.8 | 9.0 | 7.3 | 7.5 | 7.5 |
| MANUFACTURING | 8.2 | 8.1 | 7.9 | 8.4 | 8.5 | 8.2 |
| DURABLE GOODS | 4.8 | 4.8 | 4.6 | 5.3 | 5.3 | 5.1 |
| NON-DURABLE GOODS | 3.4 | 3.3 | 3.3 | 3.1 | 3.2 | 3.1 |
| TRANSPORTATION & PUBLIC UTILITIES | 9.3 | 9.3 | 9.4 | 9.1 | 9.2 | 9.2 |
| TRANSPORTATION | 5.0 | 5.0 | 5.1 | 4.8 | 4.9 | 4.9 |
| RAILROAD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| TRANSPORTATION EXCL. RAILROAD | 4.7 | 4.7 | 4.8 | 4.5 | 4.6 | 4.6 |
| PUBLIC UTILITIES | 4.3 | 4.3 | 4.3 | 4.3 | 4.3 | 4.3 |
| TOTAL TRADE | 31.1 | 31.5 | 31.7 | 30.0 | 30.1 | 30.2 |
| WHOLESALE | 7.7 | 7.7 | 7.7 | 7.5 | 7.4 | 7.4 |
| RETAIL | 23.4 | 23.8 | 24.0 | 22.5 | 22.7 | 22.8 |
| GENERAL MERCHANDISE & APPAREL | 5.1 | 5.1 | 5.2 | 5.1 | 5.2 | 5.2 |
| EATING & DRINKING PLACES | 6.7 | 6.8 | 6.8 | 6.5 | 6.5 | 6.7 |
| FINANCE, INSURANCE & REAL ESTATE | 7.2 | 7.2 | 7.1 | 7.0 | 7.1 | 7.1 |
| SERVICE INDUSTRIES | 58.8 | 58.9 | 58.4 | 56.1 | 56.8 | 56.7 |
| HOTELS, GAMING & RECREATION | 33.4 | 33.3 | 32.8 | 32.5 | 33.0 | 32.5 |
| PERSONAL | 1.3 | 1.3 | 1.3 | 1.4 | 1.4 | 1.4 |
| GOVERNMENT | 15.7 | 15.7 | 16.9 | 15.0 | 14.8 | 16.4 |
| FEDERAL | 3.0 | 3.0 | 3.0 | 3.1 | 3.0 | 3.0 |
| STATE & LOCAL | 12.7 | 12.7 | 13.9 | 11.9 | 11.8 | 13.4 |
| EDUCATION - STATE & LOCAL | 6.1 | 6.1 | 7.7 | 5.9 | 5.7 | 7.3 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

| | AVERAGE WEEKLY EARNINGS | | | AVERAGE WEEKLY HOURS | | | AVERAGE HOURLY EARNINGS | | |
|---|---|---|---|---|---|---|---|---|---|
| | JUL 1988 | AUG 1988 | SEP P 1988 | JUL 1988 | AUG 1988 | SEP P 1988 | JUL 1988 | AUG 1988 | SEP P 1988 |
| MINING | $ 671.08 | 617.19 | 621.39 | 47.9 | 42.1 | 42.3 | 14.01 | 14.66 | 14.69 |
| CONSTRUCTION | 629.28 | 612.99 | 634.68 | 38.0 | 37.4 | 38.7 | 16.56 | 16.39 | 16.40 |
| MANUFACTURING | 400.39 | 406.36 | 401.88 | 39.8 | 39.8 | 39.4 | 10.06 | 10.21 | 10.20 |
| DURABLE GOODS | 421.48 | 422.65 | 424.91 | 41.0 | 40.6 | 40.7 | 10.28 | 10.41 | 10.44 |
| STONE, CLAY & GLASS | 589.74 | 618.28 | 624.92 | 39.5 | 41.0 | 40.5 | 14.93 | 15.08 | 15.43 |
| PRIMARY METALS | 627.10 | 619.33 | 636.32 | 40.8 | 40.4 | 41.4 | 15.37 | 15.33 | 15.37 |
| NONDURABLE GOODS | 366.49 | 378.02 | 364.79 | 37.9 | 38.3 | 37.3 | 9.67 | 9.87 | 9.78 |
| PRINTING & PUBLISHING | 354.06 | 391.88 | 382.02 | 35.8 | 37.5 | 37.6 | 9.89 | 10.45 | 10.16 |
| PUBLIC UTILITIES | 585.86 | 566.83 | 623.00 | 40.1 | 39.2 | 41.7 | 14.61 | 14.46 | 14.94 |
| TRADE | 322.00 | 323.49 | 322.92 | 35.0 | 35.2 | 34.5 | 9.20 | 9.19 | 9.36 |

P = PRELIMINARY

## AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

| | AVERAGE WEEKLY EARNINGS | | | AVERAGE WEEKLY HOURS | | | AVERAGE HOURLY EARNINGS | | |
|---|---|---|---|---|---|---|---|---|---|
| | JUL 1988 | AUG 1988 | SEP P 1988 | JUL 1988 | AUG 1988 | SEP P 1988 | JUL 1988 | AUG 1988 | SEP P 1988 |
| CONSTRUCTION | 621.56 | 587.33 | 611.96 | 37.9 | 36.3 | 38.2 | 16.40 | 16.18 | 16.02 |
| MANUFACTURING | 503.50 | 510.54 | 513.18 | 40.0 | 40.2 | 40.6 | 12.59 | 12.70 | 12.64 |
| DURABLE GOODS | 558.73 | 569.21 | 581.42 | 40.4 | 40.6 | 41.5 | 13.83 | 14.02 | 14.01 |
| NONDURABLE GOODS | 427.10 | 428.36 | 418.82 | 39.4 | 39.7 | 39.4 | 10.84 | 10.79 | 10.63 |
| TRANSPORT. & UTILITIES | 488.84 | 479.18 | 494.81 | 40.5 | 39.7 | 41.2 | 12.07 | 12.07 | 12.01 |
| WHOLESALE TRADE | 423.05 | 411.09 | 423.84 | 39.5 | 38.6 | 39.1 | 10.71 | 10.65 | 10.84 |
| RETAIL TRADE | 252.97 | 257.02 | 261.71 | 31.9 | 32.7 | 31.8 | 7.93 | 7.86 | 8.23 |

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT
500 E. THIRD STREET
CARSON CITY, NEVADA 89713-0001

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Nevada Employment Security Department

# economic update

BOB MILLER
Governor

STANLEY P. JONES
Executive Director

Dear Fellow Nevadans,

I am happy to report that we begin 1989 in an enviable economic position. Unemployment continues to decline and is presently 4.5 percent, a level that has not been achieved since 1979. At the same time, Nevada businesses continue to lead the nation in generating new jobs. By nearly all accounts, Nevada and its citizens are prospering.

However, we should not let ourselves be lulled into a false sense of security. Much needs to be done in 1989 and the years to come. We must continue efforts to diversify our economy as a means of making it more viable and resistant to national economic downturns. The types of jobs needed by employers have changed dramatically and will continue to change. We must make every effort to develop a trained and highly skilled work force in order to guarantee continued economic health.

I know that you will join with me in working for a better Nevada. My best wishes for a prosperous 1989.

Sincerely,

Bob Miller

Governor Bob Miller

**ECONOMIC UPDATE**
Unemployment Rate
(SeasonallyAdjusted)

| | | OCT | NOV | DEC |
|---|---|---|---|---|
| Nevada | 1988 | 4.7% | 4.5% | 4.5% |
| | 1987 | 6.0 | 5.9 | 6.0 |
| Las Vegas | 1988 | 4.9 | 4.5 | 4.6 |
| | 1987 | 6.1 | 6.1 | 6.1 |
| Reno | 1988 | 4.1 | 4.1 | 4.1 |
| | 1987 | 5.3 | 5.3 | 5.5 |
| U.S | 1988 | 5.3 | 5.4 | 5.3 |
| | 1987 | 6.0 | 5.9 | 5.8 |

**Consumer Price Index***
All Urban Consumers
*(1982 - 84 = 100)

| | OCT | NOV | DEC |
|---|---|---|---|
| 1988 | 120.2 | 120.3 | 120.5 |
| 1987 | 115.3 | 115.4 | 115.4 |

**Gross Gaming Revenues**
(In Thousands)

| | 3rd Qtr. 1988 | 3rd Qtr. 1987 |
|---|---|---|
| Nevada | $1,125,761 | $1,038,262 |
| Las Vegas | 760,791 | 689,001 |
| Reno | 207,273 | 197,397 |

**Taxable Sales**
(In Thousands)

| | 3rd Qtr. 1988 | 3rd Qtr. 1987 |
|---|---|---|
| Nevada | $3,059,079 | $2,639,478 |
| Las Vegas | 1,637,861 | 1,402,756 |
| Reno | 660,991 | 601,147 |

## NEVADA ECONOMY

### 4th Quarter 1988

The Nevada economy provided an outstanding performance for the final quarter of 1988. In October, the unemployment rate registered 4.7 percent before dropping two-tenths of a percentage point in November to 4.5 percent - the lowest rate in nine years. In December, the jobless rate remained at 4.5 percent which was 1.5 percentage points lower than one year ago. Throughout the quarter, the Nevada unemployment rate remained lower than the national level. The U.S. jobless rate began the quarter at 5.3 percent, rose slightly to 5.4 percent before dropping back down to 5.3 percent in December. Throughout the year the unemployment rate for the nation averaged 5.5 percent. California's unemployment rate started the period at 5.0 percent, increased to 5.3 percent in November and dropped six-tenths of a percentage point in December to 4.7 percent which is the lowest rate California has experienced in nineteen years.

The Silver State continues to lead the nation with the highest percentage growth in industrial employment. At the end of the quarter, 30,200 more jobs existed in the state of Nevada than in December 1987. Every major industry experienced positive growth with services showing the largest gain at year-end. The total number of jobs created over-the-year in the services industry was 10,600 for a 4.7 percent gain. Of these total service jobs, 5,900 were created in the hotel, gaming, and recreation (HGR) sector. Another industry showing strong economic growth was the trade industry as 6,400 jobs were created. Retail trade

accounted for 5,300 of those positions. Other industries showing rapid over-the-year increases in employment were construction (+5,500), government (+2,800), and mining (+2,300). The mining industry in the Balance of State (BOS) economy remains quite active as over-the-year gains registered 2,300 for a total of 25.6 percent. Showing modest gains since last December was the finance, insurance, and real estate (FIRE) sector with 1,300 new positions while transportation and public utilities (TCPU) increased by 800 jobs and manufacturing accounted for 500 new positions.

On the national scene, civilian employment increased by 2.3 million over the past year according to the Bureau of Labor Statistics. Of this amount, about two-thirds of the gain was accounted for by adult women and one-third by adult men. Establishment based industrial employment grew by 919,000 since the end of last quarter. Most of the employment occurred in the service-producing industries, however there was also activity in the goods-producing sector as manufacturing saw sharp gains in October and November with moderate gains in December.

The outlook for the Nevada economy appears favorable heading into the new year. Job growth remains strong in most sectors and this trend should continue into 1989.

## LAS VEGAS

The final quarter of 1988 continued to reflect the fast-paced, high-growth economic activity that has become commonplace in the Las Vegas economy during recent months. Data collected for the quarter continues to reflect an extremely strong tourism industry. Visitor numbers through September were higher than in 1987, and strength is also shown in the gains exhibited by gross gaming revenues and taxable sales.

The labor market also mirrored this vitality. The size of the labor force surpassed 347,000 during two months of the quarter and averaged 346,430. This is an increase of nearly 4.9 percent over the same quarter a year ago. Unemployment levels also reflected the heated economic activity. The unemployed count in the area fell during the period, averaging 16,630 people, a decline of nearly 25 percent in the number of unemployed persons from a year ago. During the three months of the fourth quarter the unemployment rate was 4.9, 4.5, 4.6 percent respectively, for an average of 4.7 percent. These are the lowest rates this decade and have not been matched since 1979. Last year during the fourth quarter, unemployment averaged 6.1 percent.

Job growth, as measured by establishment-based industrial employment, continued to expand at one of the fastest rates found in Nevada and the nation. The total number of jobs during the quarter averaged 312,100. This is an employment gain of just over 19,000, or a 6.6 percent increase over the 292,800 jobs found in the area a year ago.

The same industries which had been reflecting significant job gains continued to do so. Construction, which has been experiencing a record year, expanded at a blistering pace. Building permits were double year ago figures and should total nearly 25,000 for all of 1988. Over the year the number of construction jobs increased by 3,400, an impressive gain of 18.4 percent. This is significantly higher than the 6.7 percent growth experienced by all industries during 1988.

Another industry which continued to exhibit strength was in FIRE. The finance industry grew much faster than all industries, increasing by 600 jobs or 8.8 percent during the year. Much of the strength in this industry can be linked to the construction boom with its associated real estate sales, mortgage and insurance needs.

Those industries which cater to visitors also reflected healthy job gains. Eating and drinking establishment's employment grew by 1,400 jobs, an 8.8 percent gain over the year. In addition, services reflected large job increases. HGR saw the number of jobs grow by 5,700, while personnel services increased by 600

positions, an impressive 15.4 percent gain during 1988.

Other industries in the area exhibited growth rates that were slower. Government job gains were predominately found in the state and local sector, increasing by 4.1 percent over the year. However, job gains in TCPU and manufacturing were much less than average, as they only increased by 2.5 and 1.1 percent respectively.

During the coming year the overall economic outlook for the Las Vegas labor market continues to be positive. The population will expand by nearly 30,000 as new residents move to the area. Projected visitor numbers for the year will probably reach a new high. And, a vibrant and growing convention industry should provide for a great number of new jobs. There are a large number of new hotel rooms scheduled to be completed in the area and several properties will open either new or expanded casinos. This, combined with other industrial growth, will set the stage for continued strong gains in the labor market. Job increases are expected to be as high as 21,000 positions or around 7 percent. Unemployment should continue to be low, averaging between 5 and 5.5 percent in 1989.

## RENO

Joblessness in the Reno Metropolitan Statistical Area has shown significant improvement during 1988. The year's seasonally adjusted unemployment rate began at 5.8 percent in January, decreasing to 4.7 percent in July. It edged upwards to 4.8 percent in August before continuing its downward trend to 4.1 percent in October. It remained at that level during the final two months. This represented a decline of 1.7 percentage points during the year. In addition, this quarter's 4.1 percent average rate was considerably below comparable periods during 1986 and 1987 of 5.3 and 5.4 percent respectively. In fact, the current quarterly rate is the lowest reported for Reno since September 1979. This level of joblessness percent is favorable when compared to the State at 4.8 percent or the nation's 5.4 percent.

Establishment-based industrial employment began the quarter at a record-high 141,600, falling 500 jobs in November to 141,100 and dropping further to 140,500 at year-end. Most of this falloff was due to seasonal declines. The quarterly average, however, at 141,100 was 5,300 higher than the year ago period and represented a growth rate of 4.1 percent. All industries showed positive gains during the past year, except for manufacturing which was off by 100, and FIRE which remained unchanged. The manufacturing decrease was a result of a major employer ceasing operations and filing for protection under bankruptcy laws. Additionally, other manufacturers have cut back on their staffing. Employment in FIRE has remained stable in spite of job layoffs/consolidations and the relocation of several major financial institutions to southern Nevada.

Services led all sectors with 1,800 new jobs during the past year, but HGR accounted for only 400. The opening of a new hotel/casino in Reno in November and a sports casino in December in Sparks helped to offset a portion of the traditional layoffs that occur this time of the year. Additionally, a casino in downtown Reno closed its operation during the quarter. On the other hand, the construction industry is quite vibrant, experiencing a 1,500 job increase over the year. Several multi-million dollar hotel/casino expansions are currently underway as well as three major highway projects. There are numerous office buildings, residential complexes and shopping centers being built throughout the area. Employment in trade was up 800, primarily in the retail sector. Government was up 600, principally in state and local jurisdictions, including education. TCPU and mining were up 100 each.

Gross gaming revenues for the third quarter of 1988 ($207.3 million) were up 5 percent over the year ago period, following a strong 9.9 percent gain in the previous quarter. This was the eighth consecutive period of positive revenue growth. Increases in taxable sales

receipts by area merchants were up 10 percent for the three months ending in September, approximating the 10.5 percent gain reported for the prior quarter. This was the third consecutive quarterly double-digit increase. Cumulative air passenger traffic counts through November were off slightly, but considerably above the level of the four previous years. Hotel/motel occupancy levels for the area's 24,000+ units approximated last year's rate. Permits for construction of new residential and multiple family units have increased strongly and, cumulative through November, are up by more than 22 percent over the year. This reinforces the commercial building expansion mentioned earlier and shows the way for continued building activity into the future.

Business conditions are expected to remain favorable for the coming year. Joblessness should continue at low levels fueled by strong job gains in services, trade, and construction. Tourism should remain at favorable levels with increasing gaming revenues. Additionally, six gaming properties will open expanded or remodeled operations in the next 12 months. Consumer spending is expected to remain strong throughout the coming year as many retail establishments will open their doors. This, in turn, will increase the level of taxable sales. Moderate interest rate levels and demand for commercial buildings, including offices-warehouses-shopping centers, should also provide impetus for sustained growth. In terms of jobs, growth in 1988 was nearly 5 percent and 1989's should only be slightly less, ranging between 4.5 and 5 percent.

## BALANCE OF STATE

The average of the seasonally adjusted unemployment rate for the balance of state (BOS) counties for the fourth quarter of 1988 was over 1.5 percent lower than the same period of 1987. Although less than 5.0 percent, it is slightly higher than the State rate for the same period. As the table following this section indicates, there is a wide variation of unemployment rates among the BOS counties. Even with that variation, however, the 1988 rates are lower for every county than they were in 1987.

From 1985 through 1987, the average fourth quarter BOS wage and salary employment declined from the third quarter by between 2.4 and 3.3 percent. In 1988 the decline was less than one percent, and the BOS job gain was 8,300 jobs greater in 1988 than in 1987, a 10 percent gain. However, the true gain was not so impressive because the 1987 employment numbers for two of the three months had over 3,000 workers on strike. Taking the strike into account, the job gain is a smaller, but still very impressive 7.3 percent. The gain was distributed across all industries.

Mining added 2,100 jobs to its 1987 level and continued to lead the balance of state in percentage job growth. Although gold prices have not been above $425 an ounce for months and have been barely above $400 an ounce for some time, new mine developments and existing mine expansions are still planned. As a result, the growth trend of the last two years is expected to continue well into 1989. The only BOS counties not expected to participate strongly in the continuing mining boom are Churchill, Douglas, Lincoln, Lyon, Storey, and Carson City.

Construction will be limited in most of the BOS counties through the winter because of the heavy, early snowstorms. When favorable weather returns, however, the industry is expected to expand strongly. All types of construction, from houses to shopping centers, are in the planning stages for almost all areas.

Manufacturing employment in the BOS counties has been relatively unchanged since June. Some established firms in the Carson City-Lyon-Douglas County region are now increasing their employment, and some new ones are now in their initial staffing phase. For that reason, the next few months appear favorable for manufacturing job growth, but the rate of growth may slow after that. Many firms are investigating Nevada's potential, but few

commitments to establish production facilities in the BOS have been made.

Approximately 900 jobs were added on a year-over-year basis in the trade industry. There was a slight seasonal decline from the third quarter to the fourth, but this industry is expected to grow well through 1989. Population growth has been such that trade facilities are in demand.

The service industry, the largest industry in the BOS, has grown very slowly for the past year. After adjusting for the Nevada Test Site strikers, the industry growth rate was less than three percent. In addition, over 300 of the new service workers were merely the result of the transfer of some government work to private contract within the service industry. The industry will continue to grow, but very slowly in relation to most of the other industries.

Government employment has increased over the year, and virtually all of the growth has been in local government. With the exception of the State prison staffing expansion scheduled to take place in early 1989, all government employment growth is expected to continue to occur at the local rather than the state level.

The strong over-the-year job growth in 1988 was nearly, but not quite equaled by a strong labor force growth. The unemployment rate for most of the counties is expected to remain low for the next several months if only because housing is too limited in most areas to permit any significant in-migration of workers. As a result, the average rate for all counties should range within 5.0 to 5.5 percent for the year.

**Balance Of State**
**Unemployment Rates By County**
**(seasonally adjusted)**

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| County | Oct | Nov | Dec | Oct | Nov | Dec |
| Carson City | 4.6% | 4.6% | 4.4% | 6.2% | 6.0% | 6.3% |
| Churchill | 5.7 | 5.6 | 4.7 | 7.1 | 6.7 | 7.6 |
| Douglas | 4.6 | 4.2 | 4.4 | 5.8 | 5.7 | 6.0 |
| Elko | 5.1 | 5.0 | 4.4 | 5.4 | 5.8 | 5.4 |
| Esmeralda | 4.5 | 4.4 | 3.7 | 5.9 | 5.9 | 5.5 |
| Eureka | 1.2 | 1.5 | 1.9 | 1.9 | 2.0 | 2.3 |
| Humboldt | 4.7 | 4.0 | 3.8 | 6.4 | 5.1 | 4.8 |
| Lander | 5.3 | 6.3 | 5.5 | 5.8 | 5.9 | 7.0 |
| Lincoln | 4.1 | 4.2 | 5.8 | 6.8 | 5.7 | 5.4 |
| Lyon | 5.3 | 5.4 | 5.2 | 6.5 | 6.5 | 6.9 |
| Mineral | 4.7 | 5.5 | 5.7 | 6.0 | 7.2 | 6.7 |
| Nye | 4.2 | 3.8 | 3.4 | 5.3 | 6.2 | 5.0 |
| Pershing | 3.1 | 3.2 | 2.8 | 4.2 | 4.3 | 4.5 |
| Storey | 4.7 | 5.7 | 5.1 | 5.6 | 8.4 | 5.4 |
| White Pine | 4.9 | 4.8 | 5.4 | 5.9 | 5.3 | 6.8 |

## New Procedure for Estimating Labor Force Data

by
Dan Culbert, Labor Economist

Beginning with the release of data for January, 1989 unemployment rates, the Nevada Employment Security Department, in cooperation with the Bureau of Labor Statistics (BLS), will be unveiling a new estimating technique. This will replace the current 'building block' method and should result in an estimate that is less vulnerable to large yearly revisions.

A little background is necessary to understand the change that is taking place. Labor force estimates for the nation as a whole are produced directly from the Current Population Survey (CPS), a scientifically selected sample of households that are representative of the total population. In the larger states this sample is sizable enough to also produce reliable estimates on a monthly basis. However in the smaller states, several factors, not the least of which is cost, prohibit the production of reliable statistics directly from the CPS on a monthly basis.

Labor force estimates for the small states (which includes Nevada) are computed using data from the unemployment insurance (UI) system and the Current Employment Statistics (CES) program as the foundations for building up to the labor force. Estimates for groups not included in these surveys are estimated based on historical or national relationships. Since unemployment insurance laws differ from state to state, these resulting statistics are not comparable from state to state. Therefore elements of the CPS (which has the same definitional base throughout the nation) are used to adjust the results of the 'building block' method. This is necessary in order to ensure equitable distribution of Federal funds, many of which are based on unemployment as a measure of need.

The 'building block' method has shown many deficiencies, particularly in recent years. Most state's UI laws have become increasingly conservative in the number of unemployed who are eligible for benefits. This has caused the number of unemployed accounted for by the UI system to become an increasingly smaller proportion of the total unemployed, and therefore limited the 'building block' estimates ability to reliably measure unemployment. The magnitude of this underestimate in Nevada has been such that the 'building block' method has measured only about half of the unemployed as computed by the CPS. While the adjustment to elements of the CPS corrects the level problem, it introduces other problems, such as seasonality. In addition, the yearly revision method essentially produces a series break between December and January each year.

The new method uses a statistical technique of variable coefficient regression models, which allow for a dynamic time series use of CPS, CES, and UI data in a more accurate and reliable manner. The use of over ten years worth of data to build these models make them resistant to the large sample errors associated with the monthly CPS data. The models are continually being updated to reflect structural changes as the change occurs. This should go a long way in producing more accurate monthly unemployment data, without the large year end revisions that the current method renders.

## New Tax Rate Schedule For Unemployment Insurance

by
Tom Hills, Labor Economist

The Executive Director has authorized the implementation of the contribution schedule recommended by the Employment Security Advisory Council for 1989. While this assessment table, computed at an average 1.43% of taxable wages, closely resembles it's predecessor, it nevertheless represents the lowest tax rate in the annals of the Nevada Employment Security Department.

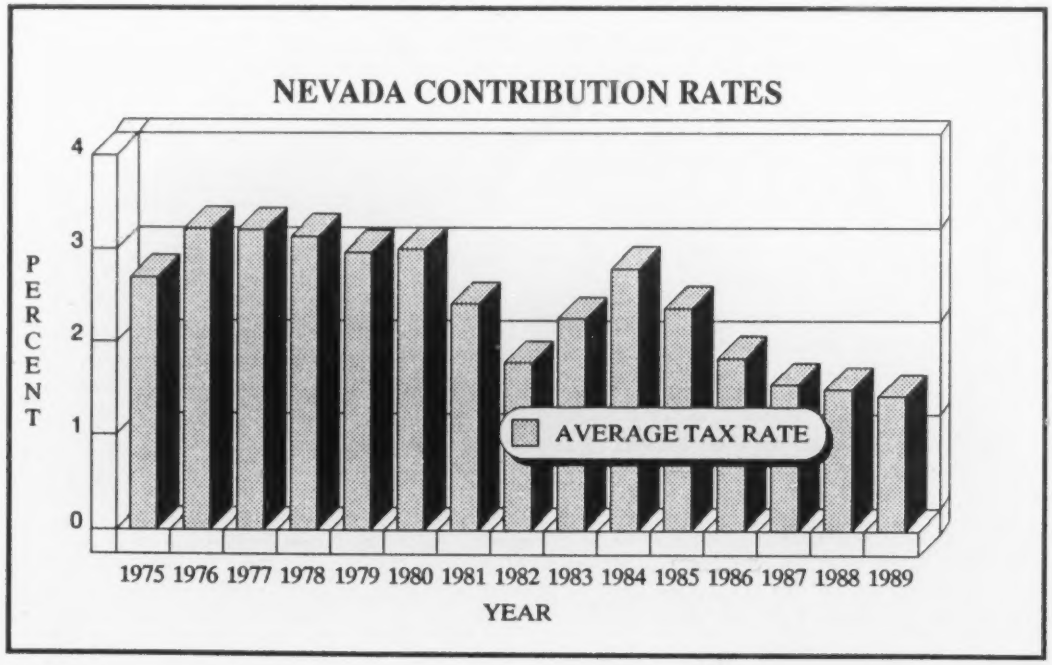
The trend in the moderation of contribution rates is a direct function of lower benefit payments from the Nevada Unemployment Insurance Trust Fund. The vitality of the state's

economy, in conjunction with other factors, has contributed not only to the fact that fewer workers have undergone periods of joblessness, but that those periods have been shorter in duration as well.

Nevada's U. I. Trust Fund balance amounted to $265.3 million at the close of fiscal year 1988. While this level is considerably above Nevada's statutory solvency reference, it falls slightly short of the more exacting Department of Labor guidelines which recommend reserves of adequate capability to meet benefit obligations during a recessionary period lasting eighteen months. Although no recession has been forecast for 1989, the Employment Security Council has advocated a long range conservative fiscal policy employing countercyclical financing. By allowing revenues to remain slightly higher than necessary during growth years, it is possible to replace some of the needed resources during recessions with trust fund reserves, and alleviate the necessity for drastic increases in taxes when they can be least afforded. In addition, it is possible to let the experience rating system work within a more stable range of rates from year to year in a manner which can sustain the integrity of the fund yet avert possible massive rate increases should the habitually anticipated economic downturn eventually materialize.

The U.I. Trust Fund, from which jobless benefits are paid, is replenished solely through a payroll tax paid by employers; no deductions are made from employees' wages. The standard contribution rate paid by new firms is 3.0% of taxable wages, that is, on earnings up to $12,600 for each worker in 1989. Experience rated firms, those with a record of employment versus unemployment, are delegated one of 18 tax rates ranging from 0.3% to a maximum of 5.4%.

The designated schedule yields an average rate of 1.43% and encompasses nearly 37 percent of experienced rated employers at the minimum tax rate of 0.3% for 1989.



## The Nevada Job Picture

by
Robert Murdock, Labor Economist

The job picture in Nevada continues to reflect the fast-paced growth of the Nevada economy. The service industry, driven by tourism, dominates the picture; and construction, especially residential construction, continues to grow dramatically in an attempt to meet the need for housing a rapidly expanding population. During 1988, Nevada led the nation in the creation of new jobs, increasing by almost 7 percent or nearly 35,000. The southern portion of the State, principally the Las Vegas MSA, provided the major stimulus for this growth as it generated over 20,000 new jobs. In addition, rural Nevada saw a continued boom in mining and its related employment. Though not as dramatic as southern Nevada, the Reno area continued to reflect steady job gains, increasing by around 4 percent during the year.

Strong employment growth is also expected for the coming year. The following table ranks some of the high growth jobs in the State by the number of estimated annual openings. This list is the result of the output from the 1989 Nevada Occupational Projections Program - a publication containing this data is tentatively scheduled to be released in late spring. As would be expected, this list is dominated by occupations found in the service industry. Many of these occupations usually require minimal training to gain employment, and typically have lower than average wages. Note however, that there are several occupations on this list that require a significant level of vocational or some other type of postsecondary education. Some of these include health care, construction, and general management occupations.

**MAJOR NEVADA HIGH GROWTH JOBS IN 1989**
*(Annual Average Increase)*

| OCCUPATION | JOB GAIN |
|---|---|
| WAITER/WAITRESS | 1,739 |
| SALESPERSON, RETAIL | 1,690 |
| CASHIERS | 1,530 |
| BLACKJACK (21) DEALERS | 1,302 |
| GENERAL MANAGEMENT | 1,235 |
| JANITORS AND CLEANERS | 1,177 |
| MAIDS | 1,048 |
| BOOKKEEPING/ACCOUNT CLERKS | 865 |
| FOOD PREPARATION WORKERS | 860 |
| GENERAL OFFICE WORKERS | 779 |
| DINING ROOM/BARTENDER HELPERS | 748 |
| MAINTENANCE REPAIRERS, GEN. UTIL. | 728 |
| SECRETARIES | 726 |
| BARTENDERS | 692 |
| GAMING CHANGE PERSON (BOOTH) | 653 |
| REGISTERED NURSE | 622 |
| GUARDS AND WATCH GUARDS | 614 |
| GAMING SUPERVISOR | 594 |
| COOKS, RESTAURANT | 573 |
| TRUCK DRIVERS, HEAVY | 566 |
| CARPENTERS | 549 |
| COMB. FOOD PREP./SERV. | 542 |
| CRAPS (DICE) DEALER | 463 |
| STOCK CLERK, SALES FLOOR | 452 |
| TRUCK DRIVER, LIGHT | 442 |
| FIRST LINE SUPERVISORS, CLERICAL | 426 |
| ALL OTHER HELPERS, LABORERS, AND MOVERS | 399 |

Occupational analysis using the Nevada Occupational Information System (OIS) allows an evaluation of potential labor oversupply or shortages. When reviewing major occupational clusters in the fast growing Nevada labor market, it appears that the needs of employers are not being met in several areas. In many occupations employers have expressed difficulty in recruiting employees and many jobs go unfilled. Nevada's low unemployment rate reflects this situation. In addition, employers have voiced concern about an upward pressure in wages being reflected in the labor market at some locations. The following table reviews the major occupations in demand and those oversupplied as presented in the 1989 Nevada Occupational Information System. This publication should be available by late February, with a Micro-computer version available by mid-February.

**1989 GENERAL OIS OVERVIEW [1]**

| OCCUPATIONS IN DEMAND | OCCUPATIONS OVERSUPPLIED |
|---|---|
| GARDENER AND GROUNDSKEEPER | REAL ESTATE SALES |
| HOSPITALITY AND REC. MARKETING | COMPUTER OPERATIONS |
| HOSPITALITY AND REC. MGMT. | INSURANCE SALES |
| RESTAURANT MANAGEMENT | TRAVEL SERVICES |
| BOOKKEEPING | COMMUNICATIONS (RADIO/T.V.) |
| BANKING/FINANCIAL SERVICES | GAMBLING DEALER |
| OFFICE MANAGEMENT | COSMETOLOGY |
| SECRETARIAL | SLOT MECHANIC |
| GENERAL OFFICE | DRAFTING |
| RETAILING | |
| BARTENDERS | |
| NURSING ASSISTANT | |
| NURSING (RN'S AND LPN'S) | |
| CHILD CARE | |
| FOOD PREPARATION OCCUPATIONS | |
| FOOD SERVICE OCCUPATIONS | |
| MAIDS | |
| JANITORS AND CLEANERS | |
| CARPENTRY | |
| ELECTRICAL | |
| BUILDING MAINTENANCE | |
| PLUMBING | |
| ELECTRONIC/ELECTRICAL EQUIP. REPAIR | |
| DIESEL ENGINE MECHANIC | |
| MACHINE TOOL OPERATION | |
| CONSTRUCTION EQUIP. OPERATION | |
| MATERIAL HANDLING/WAREHOUSING | |
| MINING EQUIPMENT OPERATION | |
| VEHICLE DRIVING OCCUPATIONS | |

[1] These represent major occupational clusters only and are not inclusive of all supply/demand situations in the Nevada OIS.

**Tourism and Oil: Do They Mix?**

by
Mike Clarke, Labor Economist

The Nevada economy has historically been - and will continue to be - strongly dependent upon tourism. Two facts alone illustrate the degree of dependency: (1) over 25 percent of the Nevada jobs are in the hotels, gaming and recreation industry; (2) over 50 percent of the Nevada tax revenues are derived directly from the casino industry. Do petroleum prices affect Nevada's tourism industry? And if gasoline prices rise, what will be the effect?

Historic Comparison

Even a superficial comparison of the oil price trends and Nevada tourism revenues seems to answer the first question with a very definite yes. The changes of the two over time do appear related.

For instance, the first major petroleum price increase effected by OPEC (Organization of Petroleum Exporting Countries) was in late 1973 and 1974. Nevada's gaming revenue growth rate had risen to 19.8 percent in 1973. It dropped to 14.6 percent in 1974 and did not again exceed 12.5 percent until 1977. The growth rate then topped 20 percent per year in 1977 and 1978. The second major OPEC increase took place in 1979, and Nevada's gaming revenue growth rate plunged to 14.7 percent that year, fell into the single digit range by 1981, and did not rise above 10 percent again until 1987. Oil prices remained high through 1985, dropped sharply in 1986, and stayed relatively low through 1988. Although gaming revenue growth in 1987 and 1988 has not matched the level it reached in 1977 and 1978, it has been comparatively strong.

Job growth changes in the hotels, gaming and recreation industry have tended to lag slightly behind the gaming revenue changes, but they have shown a similar - and equally dramatic - pattern. The industry even had a reduction of employment from the previous year in both 1981 and 1983.

Cause and Effect

The oil price rise was caused by a single reason: the successful efforts of a consortium of oil producing nations to restrict the world's supply of oil. There were several reasons for the decline. For one thing, several non-OPEC nations made significant oil discoveries - and were not subject to the OPEC production restrictions. Another reason is that some OPEC-member nations violated their agreement with the cartel and produced more oil than their agreed-upon amount.

Probably the most important cause of the oil price decline was the change in the production and consumption of oil by the U.S., the single greatest oil consuming nation in the world, in reaction to the artificial shortage created by OPEC. Some of the U.S. changes include a marked increase in domestic oil exploration and production, increased usage of alternate energy sources, and development of more energy-efficient factories, houses, and transportation methods. The last is very important because approximately 63 percent of all oil used in the U.S. is for transportation.

The results of those changes in the U.S. can be measured. The total heating value of oil consumed in the U.S. was actually less in 1985 than in 1973 - despite a 35 percent increase in the size of the economy. Oil imports were cut from a high of 48 percent of all oil consumed in 1977 to 32 percent in 1985. And Canada (a non-OPEC nation) replaced Saudi Arabia as the primary source of imported oil.

Renewed Apprehension

The lowered price of oil helped break the nation's crippling stagflation of the late 1970s, but fears that a new period of oil price increases are imminent - and that the U.S. will suffer as a result - have been voiced. An article by Donald Woutat reprinted in the San Jose Mercury News lists a number of the reasons for those fears. They include the fact that the post-1985 low prices have led to sharply reduced domestic oil production. The 1988 production level was approximately 10 percent less than in 1985.

Another thing is that the lower prices have led to a renewed demand for higher horsepower, less efficient cars and trucks. Still another reason is that the federal administration has dismantled alternate energy research and production programs. Energy-savings incentives and requirements have also been either reduced or completely halted.

As a result, imported oil is back up to 42 percent of the U.S. oil consumed. Almost all of the import increase was supplied by Persian Gulf countries, and Saudi Arabia is the leading supplier to the U.S. for the first time since 1981. In pure dollar terms, the cost of the imported oil represents about 25 percent of the nation's trade deficit.

There have been no problems yet, but OPEC seems to have at least temporarily settled the internal discord between some of its member nations. In addition, several non-member nations have expressed intentions to work in conjunction with OPEC to limit production. For whatever reason, oil prices have rebounded from their October lows by nearly 50 percent. An example of the rebound is that West Texas Intermediate, the U.S. benchmark standard, has risen to over $19 a barrel, a 14-month high. Fortunately that increase has not been felt at the pumps yet.

One More Problem Area

While the above listed items affect not just Nevada, but the entire nation, there is another item that will be more specific to Nevada. Two California legislators have proposed an additional 10-cent a gallon gasoline tax in their state. California is the primary source of Nevada tourists. If that tax increase is implemented, travel to Nevada will be 7 to 12 percent more expensive for them. And how much more of a damper on travel to Nevada would the federal government provide if the recently proposed 50-cent per gallon of gasoline "user fee" is imposed?

Is the Nevada economy - or a portion of it - threatened? Obviously, that question can't be answered with a definite yes or no at this time, but to ignore the possibility could leave the State susceptible to an unpleasant surprise.

**Nevada Economic Database System (NEDS)**

The Nevada Employment Security Department continues to improve the dial up computer database containing state and national labor market information.

If your company has a personal computer and modem you can have easy access to current labor market statistics. To receive your user identification and password just call the individuals listed below. Other than charges for long distance telephone calls, there will be no fees for using this service.

If you are a current user of the system, please let us know what modifications you would like to see in the system to better meet your needs. In the future, we are planning to add per capita income and regional wage information to the system.

For additional information, please contact:

Nevada Employment Security Department
Research Section
500 E. Third Street
Carson City, Nevada 89713
Telephone (702)885-4550
Attn: Zina Turney or Kim Harris

## NEVADA LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | OCT | NOV | DEC P | OCT | NOV | DEC |
| CIVILIAN LABOR FORCE | 593.0 | 596.2 | 595.4 | 564.6 | 564.9 | 569.9 |
| UNEMPLOYMENT | 26.1 | 25.8 | 28.8 | 31.4 | 32.5 | 35.1 |
| NEMPLOYMENT RATE | 4.4% | 4.3% | 4.8% | 5.6% | 5.7% | 6.3% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 4.7% | 4.5% | 4.5% | 6.0% | 5.9% | 6.0% |
| TOTAL EMPLOYMENT 1/ | 566.9 | 570.4 | 566.6 | 533.2 | 532.4 | 533.9 |
| NONAGRICULTURAL EMPLOYMENT | 560.9 | 564.6 | 561.4 | 526.4 | 527.5 | 529.5 |
| AGRICULTURAL EMPLOYMENT | 6.0 | 5.8 | 5.2 | 6.8 | 4.9 | 4.3 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 3.2 | 3.2 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | OCT | NOV | DEC P | OCT | NOV | DEC |
| TOTAL NONAGRICULTURAL | 544.0 | 547.3 | 544.6 | 510.0 | 512.1 | 514.4 |
| MINING | 11.0 | 11.2 | 11.3 | 8.7 | 8.8 | 9.0 |
| METAL MINING | 9.6 | 9.8 | 9.8 | 7.4 | 7.5 | 7.7 |
| CONSTRUCTION | 35.9 | 35.7 | 35.6 | 30.8 | 30.4 | 30.1 |
| MANUFACTURING | 24.3 | 24.4 | 24.5 | 23.7 | 23.9 | 24.0 |
| DURABLE GOODS | 14.4 | 14.4 | 14.5 | 14.2 | 14.2 | 14.3 |
| STONE, CLAY & GLASS PRODUCTS | 1.8 | 1.8 | 1.8 | 1.6 | 1.7 | 1.7 |
| PRIMARY METAL INDUSTRIES | 1.2 | 1.2 | 1.2 | 1.1 | 1.1 | 1.1 |
| NON-DURABLE GOODS | 9.9 | 10.0 | 10.0 | 9.5 | 9.7 | 9.7 |
| FOOD PRODUCTS | 1.6 | 1.6 | 1.5 | 1.6 | 1.5 | 1.6 |
| PRINTING & PUBLISHING | 4.5 | 4.5 | 4.6 | 4.3 | 4.4 | 4.4 |
| CHEMICALS | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| TRANSPORTATION & PUBLIC UTILITIES | 28.8 | 29.2 | 29.2 | 28.2 | 28.3 | 28.4 |
| TRANSPORTATION | 16.9 | 17.1 | 17.2 | 16.3 | 16.5 | 16.6 |
| RAILROAD | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| TRUCKING & WAREHOUSE | 5.1 | 5.1 | 5.3 | 4.6 | 4.8 | 4.9 |
| AIR | 4.2 | 4.3 | 4.3 | 4.4 | 4.4 | 4.4 |
| PUBLIC UTILITIES | 11.9 | 12.1 | 12.0 | 11.9 | 11.8 | 11.8 |
| TOTAL TRADE | 109.7 | 111.4 | 112.8 | 103.8 | 105.1 | 106.4 |
| WHOLESALE | 20.1 | 20.2 | 20.1 | 19.0 | 19.1 | 19.0 |
| RETAIL | 89.6 | 91.2 | 92.7 | 84.8 | 86.0 | 87.4 |
| GENERAL MERCHANDISE & APPAREL | 14.3 | 15.6 | 16.5 | 14.7 | 15.9 | 16.7 |
| FOOD STORES | 13.9 | 13.9 | 13.9 | 12.6 | 12.7 | 12.7 |
| AUTO DEALERS & SERVICE STATIONS | 12.2 | 12.2 | 12.1 | 11.2 | 11.1 | 11.0 |
| EATING & DRINKING PLACES | 30.1 | 30.3 | 30.5 | 28.7 | 28.5 | 28.7 |
| FINANCE, INSURANCE & REAL ESTATE | 25.3 | 25.3 | 25.3 | 23.9 | 23.9 | 24.0 |
| FINANCE | 11.5 | 11.6 | 11.6 | 11.0 | 11.1 | 11.1 |
| SERVICE INDUSTRIES | 239.7 | 240.6 | 236.3 | 224.5 | 225.3 | 225.7 |
| HOTELS, GAMING & RECREATION | 148.3 | 148.1 | 144.6 | 141.2 | 140.6 | 138.7 |
| PERSONAL | 6.5 | 6.5 | 6.6 | 6.0 | 6.0 | 6.0 |
| BUSINESS | 30.5 | 31.5 | 30.6 | 26.0 | 27.0 | 29.2 |
| MEDICAL & HEALTH | 23.0 | 23.1 | 23.2 | 21.5 | 21.8 | 21.8 |
| GOVERNMENT | 69.3 | 69.5 | 69.6 | 66.4 | 66.4 | 66.8 |
| FEDERAL | 11.3 | 11.3 | 11.3 | 11.3 | 11.2 | 11.2 |
| STATE & LOCAL | 58.0 | 58.2 | 58.3 | 55.1 | 55.2 | 55.6 |
| EDUCATION - STATE & LOCAL | 27.4 | 27.6 | 27.8 | 25.7 | 26.0 | 26.2 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## LAS VEGAS LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | OCT | NOV | DEC P | OCT | NOV | DEC |
| CIVILIAN LABOR FORCE | 344.6 | 347.4 | 347.2 | 328.6 | 329.9 | 332.7 |
| UNEMPLOYMENT | 16.5 | 15.3 | 17.2 | 19.7 | 19.7 | 21.4 |
| UNEMPLOYMENT RATE | 4.8% | 4.4% | 5.0% | 6.0% | 6.0% | 6.4% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 4.9% | 4.5% | 4.6% | 6.1% | 6.1% | 6.1% |
| TOTAL EMPLOYMENT 1/ | 328.2 | 332.1 | 330.0 | 308.9 | 310.2 | 311.3 |
| NONAGRICULTURAL EMPLOYMENT | 326.7 | 330.7 | 328.7 | 307.3 | 309.0 | 310.3 |
| AGRICULTURAL EMPLOYMENT | 1.5 | 1.4 | 1.3 | 1.7 | 1.2 | 1.1 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 |

## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | OCT | NOV | DEC P | OCT | NOV | DEC |
| TOTAL NONAGRICULTURAL | 309.8 | 313.7 | 312.8 | 291.6 | 293.5 | 293.2 |
| MINING | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.2 |
| CONSTRUCTION | 21.4 | 21.4 | 21.9 | 18.6 | 18.4 | 18.5 |
| MANUFACTURING | 9.1 | 9.1 | 9.1 | 8.9 | 8.9 | 9.0 |
| DURABLE GOODS | 4.5 | 4.5 | 4.4 | 4.4 | 4.4 | 4.5 |
| STONE, CLAY, & GLASS PRODUCTS | 0.9 | 0.9 | 0.9 | 0.8 | 0.8 | 0.9 |
| NON-DURABLE GOODS | 4.6 | 4.6 | 4.7 | 4.5 | 4.5 | 4.5 |
| FOOD PRODUCTS | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| PRINTING & PUBLISHING | 2.2 | 2.2 | 2.2 | 2.1 | 2.1 | 2.2 |
| CHEMICALS | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| TRANSPORTATION & PUBLIC UTILITIES | 16.4 | 16.7 | 16.5 | 16.0 | 16.2 | 16.1 |
| TRANSPORTATION | 10.0 | 10.1 | 10.1 | 9.7 | 9.9 | 9.9 |
| RAILROAD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| AIR | 3.0 | 3.0 | 3.0 | 3.3 | 3.3 | 3.2 |
| PUBLIC UTILITIES | 6.4 | 6.6 | 6.4 | 6.3 | 6.3 | 6.2 |
| TOTAL TRADE | 65.0 | 66.3 | 67.2 | 61.3 | 62.0 | 63.0 |
| WHOLESALE | 10.8 | 10.9 | 10.8 | 10.2 | 10.2 | 10.1 |
| RETAIL | 54.2 | 55.4 | 56.4 | 51.1 | 51.8 | 52.9 |
| GENERAL MERCHANDISE & APPAREL | 8.0 | 8.7 | 9.3 | 8.4 | 9.0 | 9.4 |
| EATING & DRINKING PLACES | 19.4 | 19.6 | 19.9 | 18.3 | 18.3 | 18.5 |
| FINANCE, INSURANCE & REAL ESTATE | 15.7 | 15.9 | 16.0 | 14.5 | 14.6 | 14.7 |
| FINANCE | 7.2 | 7.3 | 7.4 | 6.7 | 6.8 | 6.8 |
| SERVICE INDUSTRIES | 146.5 | 148.5 | 146.2 | 138.1 | 139.3 | 137.5 |
| HOTELS, GAMING & RECREATION | 95.9 | 96.6 | 95.1 | 90.2 | 90.4 | 89.4 |
| PERSONAL | 4.4 | 4.5 | 4.5 | 3.8 | 3.9 | 3.9 |
| BUSINESS | 15.7 | 16.8 | 15.9 | 15.4 | 16.1 | 15.4 |
| GOVERNMENT | 35.4 | 35.5 | 35.6 | 33.9 | 33.8 | 34.2 |
| FEDERAL | 6.5 | 6.5 | 6.5 | 6.3 | 6.3 | 6.4 |
| STATE & LOCAL | 28.9 | 29.0 | 29.1 | 27.6 | 27.5 | 27.8 |
| EDUCATION - STATE & LOCAL | 14.3 | 14.4 | 14.4 | 13.4 | 13.5 | 13.7 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## RENO LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | OCT | NOV | DEC P | OCT | NOV | DEC |
| CIVILIAN LABOR FORCE | 143.9 | 143.9 | 143.7 | 139.4 | 139.3 | 140.6 |
| UNEMPLOYMENT | 5.2 | 5.7 | 6.6 | 6.6 | 7.2 | 8.5 |
| EMPLOYMENT RATE | 3.6% | 4.0% | 4.6% | 4.7% | 5.2% | 6.0% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 4.1% | 4.1% | 4.1% | 5.3% | 5.3% | 5.5% |
| TOTAL EMPLOYMENT 1/ | 138.6 | 138.2 | 137.1 | 132.8 | 132.2 | 132.1 |
| NONAGRICULTURAL EMPLOYMENT | 137.8 | 137.4 | 136.4 | 131.9 | 131.5 | 131.6 |
| AGRICULTURAL EMPLOYMENT | 0.8 | 0.8 | 0.7 | 0.9 | 0.7 | 0.6 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

**********

## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1988 | | | 1987 | | |
|---|---|---|---|---|---|---|
| | OCT | NOV | DEC P | OCT | NOV | DEC |
| TOTAL NONAGRICULTURAL | 141.6 | 141.1 | 140.5 | 135.9 | 135.8 | 135.2 |
| MINING | 1.2 | 1.1 | 1.1 | 1.0 | 1.0 | 0.9 |
| CONSTRUCTION | 8.9 | 8.7 | 8.4 | 7.4 | 7.2 | 7.0 |
| MANUFACTURING | 7.9 | 8.0 | 8.1 | 8.1 | 8.1 | 8.1 |
| DURABLE GOODS | 4.6 | 4.6 | 4.7 | 5.0 | 5.0 | 5.0 |
| NON-DURABLE GOODS | 3.3 | 3.4 | 3.4 | 3.1 | 3.1 | 3.1 |
| TRANSPORTATION & PUBLIC UTILITIES | 9.4 | 9.4 | 9.6 | 9.2 | 9.3 | 9.3 |
| TRANSPORTATION | 5.2 | 5.2 | 5.3 | 4.9 | 5.0 | 5.0 |
| RAILROAD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| TRANSPORTATION EXCL. RAILROAD | 4.9 | 4.9 | 5.0 | 4.6 | 4.7 | 4.7 |
| PUBLIC UTILITIES | 4.2 | 4.2 | 4.3 | 4.3 | 4.3 | 4.3 |
| TOTAL TRADE | 31.5 | 32.0 | 32.6 | 30.3 | 30.9 | 31.2 |
| WHOLESALE | 7.6 | 7.6 | 7.6 | 7.3 | 7.4 | 7.4 |
| RETAIL | 23.9 | 24.4 | 25.0 | 23.0 | 23.5 | 23.8 |
| GENERAL MERCHANDISE & APPAREL | 5.3 | 5.8 | 6.1 | 5.3 | 5.8 | 6.1 |
| EATING & DRINKING PLACES | 6.6 | 6.7 | 6.7 | 6.7 | 6.6 | 6.7 |
| FINANCE, INSURANCE & REAL ESTATE | 7.0 | 6.9 | 6.9 | 7.0 | 6.9 | 6.9 |
| SERVICE INDUSTRIES | 58.3 | 57.6 | 56.4 | 56.2 | 55.6 | 54.9 |
| HOTELS, GAMING & RECREATION | 32.5 | 32.0 | 30.8 | 32.1 | 31.5 | 30.7 |
| PERSONAL | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |
| GOVERNMENT | 17.4 | 17.4 | 17.4 | 16.7 | 16.8 | 16.9 |
| FEDERAL | 3.0 | 3.0 | 2.9 | 3.0 | 3.0 | 3.0 |
| STATE & LOCAL | 14.4 | 14.4 | 14.5 | 13.7 | 13.8 | 13.9 |
| EDUCATION - STATE & LOCAL | 8.2 | 8.2 | 8.4 | 7.8 | 7.9 | 7.9 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

| | AVERAGE WEEKLY EARNINGS | | | AVERAGE WEEKLY HOURS | | | AVERAGE HOURLY EARNINGS | | |
|---|---|---|---|---|---|---|---|---|---|
| | OCT 1988 | NOV 1988 | DEC P 1988 | OCT 1988 | NOV 1988 | DEC P 1988 | OCT 1988 | NOV 1988 | DEC P 1988 |
| MINING | $ 614.79 | 624.83 | 627.97 | 41.4 | 41.6 | 43.1 | 14.85 | 15.02 | 14.57 |
| CONSTRUCTION | 610.95 | 570.84 | 595.78 | 37.9 | 35.5 | 37.4 | 16.12 | 16.08 | 15.93 |
| MANUFACTURING | 406.77 | 408.64 | 425.94 | 39.0 | 40.3 | 41.8 | 10.43 | 10.14 | 10.19 |
| DURABLE GOODS | 425.73 | 432.41 | 453.84 | 39.9 | 41.3 | 43.1 | 10.67 | 10.47 | 10.53 |
| STONE, CLAY & GLASS | 597.40 | 605.62 | 656.47 | 39.8 | 40.7 | 42.6 | 15.01 | 14.88 | 15.41 |
| PRIMARY METALS | 727.95 | 603.72 | 612.54 | 42.2 | 40.6 | 41.5 | 17.25 | 14.87 | 14.76 |
| NONDURABLE GOODS | 374.75 | 370.36 | 379.76 | 37.4 | 38.7 | 39.6 | 10.02 | 9.57 | 9.59 |
| PRINTING & PUBLISHING | 361.12 | 376.50 | 360.10 | 33.1 | 37.5 | 37.2 | 10.91 | 10.04 | 9.68 |
| PUBLIC UTILITIES | 596.16 | 622.80 | 578.56 | 40.5 | 41.3 | 39.6 | 14.72 | 15.08 | 14.61 |
| TRADE | 319.93 | 321.55 | 315.64 | 34.7 | 34.8 | 34.8 | 9.22 | 9.24 | 9.07 |

P = PRELIMINARY

## AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

| | AVERAGE WEEKLY EARNINGS | | | AVERAGE WEEKLY HOURS | | | AVERAGE HOURLY EARNINGS | | |
|---|---|---|---|---|---|---|---|---|---|
| | OCT 1988 | NOV 1988 | DEC P 1988 | OCT 1988 | NOV 1988 | DEC P 1988 | OCT 1988 | NOV 1988 | DEC P 1988 |
| CONSTRUCTION | 602.91 | 548.68 | 595.03 | 37.8 | 34.4 | 37.9 | 15.95 | 15.95 | 15.70 |
| MANUFACTURING | 536.11 | 518.68 | 536.74 | 40.8 | 41.1 | 41.9 | 13.14 | 12.62 | 12.81 |
| DURABLE GOODS | 612.13 | 584.40 | 600.66 | 41.0 | 41.3 | 42.3 | 14.93 | 14.15 | 14.20 |
| NONDURABLE GOODS | 427.03 | 429.86 | 446.87 | 40.4 | 40.9 | 41.3 | 10.57 | 10.51 | 10.82 |
| TRANSPORT. & UTILITIES | 505.10 | 546.74 | 472.80 | 40.8 | 41.8 | 40.0 | 12.38 | 13.08 | 11.82 |
| WHOLESALE TRADE | 421.58 | 423.36 | 422.22 | 38.5 | 39.2 | 38.7 | 10.95 | 10.80 | 10.91 |
| RETAIL TRADE | 252.53 | 254.23 | 249.39 | 32.5 | 32.1 | 32.6 | 7.77 | 7.92 | 7.65 |

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT
500 E. THIRD STREET
CARSON CITY, NEVADA 89713-0001

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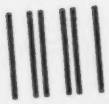

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Nevada Employment Security Department

# economic update

BOB MILLER
Governor

STANLEY P. JONES
Executive Director

## ECONOMIC UPDATE

Unemployment Rate
(SeasonallyAdjusted)

| | | JAN | FEB | MAR |
|---|---|---|---|---|
| Nevada | 1989 | 5.2% | 5.8% | 5.4% |
| | 1988 | 5.5 | 5.8 | 6.0 |
| Las Vegas | 1989 | 5.4 | 5.8 | 5.7 |
| | 1988 | 5.5 | 6.1 | 6.5 |
| Reno | 1989 | 4.6 | 5.5 | 4.9 |
| | 1988 | 5.0 | 5.2 | 5.4 |
| U.S | 1989 | 5.4 | 5.1 | 5.0 |
| | 1988 | 5.8 | 5.7 | 5.6 |

**Consumer Price Index***
All Urban Consumers
*(1982 - 84 = 100)

| | JAN | FEB | MAR |
|---|---|---|---|
| 1989 | 121.1 | 121.6 | 122.3 |
| 1988 | 115.7 | 116.0 | 116.5 |

**Gross Gaming Revenues**
(In Thousands)

| | 4th Qtr. 1988 | 4th Qtr. 1987 |
|---|---|---|
| Nevada | $1,048,712 | $949,671 |
| Las Vegas | 766,136 | 675,041 |
| Reno | 172,114 | 168,874 |

**Taxable Sales**
(In Thousands)

| | 4th Qtr. 1988 | 4th Qtr. 1987 |
|---|---|---|
| Nevada | $3,169,088 | $2,763,536 |
| Las Vegas | 1,747,153 | 1,547,287 |
| Reno | 667,744 | 606,618 |

## NEVADA ECONOMY
### 1st Quarter 1989

The Nevada economy recorded considerable improvement during the first part of 1989. In January, the seasonally adjusted unemployment rate registered 5.2 percent before increasing to 5.8 percent in February. This rise in unemployment for January and especially for February was mainly due to worse than normal weather conditions. The quarter ended on a strong note, with some help from improvements in the weather, as the jobless measure fell four-tenths of a percentage point in March to 5.4 percent. This figure was six-tenths of a percentage point lower than one year ago. The U.S. jobless rate performed well throughout the quarter. In January, the unemployment figure for the nation was 5.4 percent before dropping to 5.1 percent in February. The percent of jobless persons for the nation in March (5.0 %) hit a fifteen-year low. California's jobless numbers were also very impressive during the first quarter of the year with unemployment figures of 5.0 percent for the first two months. In March, the jobless figure dropped to a 19-year low of 4.5 percent.

Nevada continues to lead the nation with rapid over-the-year industrial employment growth. The Silver State began the quarter with a 7.6 percent over-the-year job gain, and continued the trend with a matching 7.6 percent increase in February and a 7.2 percent gain in March. This over-the-year job growth leads all other states by a large margin. At the end of the quarter, a total of 37,700 more jobs existed in the state of Nevada than in March 1988. The March 1989 figures showed that all the major industries reported employment gains with the

service industry leading the way by creating 13,000 jobs over-the-year. Accounting for 6,900 of these new positions was the hotels, gaming, and recreation (HGR) sector. The construction industry reported strong growth with an increase of 8,000 jobs since last March. Activity was also reported in the trade industry as 6,200 jobs were created over-the-year where retail trade was responsible for more than seventy-five percent of those new positions. Government also showed strong growth as a total of 3,800 more jobs existed in that industry than at this time last year. The remaining industries also witnessed employment gains.

On the national front, economic activity is beginning to ease as nonagricultural payroll employment grew by only 180,000 in March. This figure is well below the monthly average of 300,000 over the prior twelve months according to the Bureau of Labor Statistics (BLS). Virtually all the employment growth during the month occurred in the services and trade industries. Employment in transportation and public utilities was held down due to the airline workers' strike. In the goods-producing sector, employment in construction declined by 50,000 in March with weather conditions largely responsible for the slowdown.

In the following months, Nevada's economy is expected to continue with solid job growth. Construction activity should remain strong as residential growth, especially in the southern part of the state, is booming. Also, taxable sales receipts and gross gaming revenues are showing healthy over-the-year gains. All of this favorable news shows continued prosperity for the Silver State.

## LAS VEGAS

"Unbridled growth" is a term that could apply to the Las Vegas economy during 1988, and this growth appears to be providing a strong foundation for the upcoming year's activities. Last year's vibrant expansion was widespread and many indicators were at or near their all-time highs. Las Vegas job gains were 7.9 percent and unemployment averaged a relatively low 5.4 percent. Other area indicators reflect this strength including gains in gross gaming revenues (9.4 percent), increases in taxable sales (13.2 percent), annual average occupancy rates in excess of 85 percent, an increase in residential construction permits (112 percent), and record visitor and convention attendance.

If first quarter data are any indication, it would appear that the performance of the 1989 Las Vegas economy will not take a back seat to the record year of 1988. The business sector's optimistic outlook for the Las Vegas area is readily apparent by the extent of new capital investment being proposed, and by the number of high rise projects that have recently appeared on the skyline. In addition, residential construction for the period is more than double last year's record level, several major conventions have recorded near record attendance, and vigorous casino and retail trade activity are being sustained by strong visitor demand for recreational pursuits. The area's labor market indicators also continue to reflect the strength of the economy.

During the first quarter of 1989 the labor force averaged 353,100, an increase of 6.2 percent over the year ago quarter. Unemployment figures also reflected an improvement over the year. There was an average of 20,600 people unemployed, representing 5.6 percent of the labor force, during the first quarter of 1989. This is compared to 20,800 unemployed and a rate of 6.0 percent during the year ago period. This four tenths of a percentage point improvement is impressive given the significant increase in the size of the labor force. Unemployment rates for January, February, and March were 5.4, 5.8, and 5.7 percent respectively.

Note that these unemployment numbers are higher that the levels recorded during the fourth quarter 1988. Methodological changes in the computation of the unemployment rates were initiated in January 1989 (see New Procedures For Estimating Labor Force Data by Dan Culbert, Fourth Quarter 1988 Nevada Economic Update) which make comparisons of

the two quarters difficult. The increase, or at least part of it, was probably due to the methodological change and not a deteriorating labor market situation.

First quarter 1989 job gains, as reflected by establishment-based industrial employment, were quite strong as Nevada continued to lead the nation in the percentage increase of new jobs. Las Vegas job levels averaged 320,300 during the quarter. This is an employment increase of 24,400 jobs or 8.2 percent over the 295,900 jobs recorded in the first quarter of 1988.

The construction industry continued to bolster the finance,insurance, and real estate (FIRE) industry as they both demonstrated significantly faster than average job growth over the year ending in March. Construction jobs soared to 26,000, a gain of nearly 6,000 positions or almost 30 percent. And, FIRE reached 16,300 positions, an increase of 1,600 jobs or nearly 11 percent. As indicated earlier, many of the gains in FIRE continue to be tied to the strength of the residential construction industry where residential building permits have already totaled over 4,800 units through February 1989. This represents more than all of the residential units built in the rest of the State during 1988.

Manufacturing jobs have also been increasing faster than the average. Increases in non-durable goods have been strong, especially in the food products, and the printing and publishing sectors as new firms have located in the area. Faster than average increases have also been noticed in stone, clay and glass products of the durable good sectors as construction activity spurs the demand for these products.

The remainder of the industries, mining, transportation, communications, and public utilities (TCPU), trade, service, and government have all been expanding at a slower than average rate over the past twelve months. But, because of its sheer size, the service sector, primarily HGR, has continued to provide the vast majority of new jobs. The HGR sector grew by 6,300 for a total of 98,500 jobs in March, while the service industry as a whole increased by 10,000 jobs - nearly one-half of the job gains for all industries over the year.

During the next year, the Las Vegas economy will continue to exhibit rapid growth. Job gains will be at or slightly above those experienced during the past several months. Unemployment should remain at current levels or trend slightly lower. Employer demand for experienced hotel/gaming employees will be increasing dramatically with the opening of several new or expanded establishments towards the end of the year. This could put some downward pressure on the unemployment rate, especially during the latter months of 1989 and early 1990. An offset to this will be the likelihood of a rapid increase in the population and labor force as word of the strong job market spreads. Also there is the realization that as these major commercial building projects are completed there may be a slowdown in construction activity. It is unlikely that the area can sustain the current rate of construction growth for an extended length of time.

## RENO MSA

Economic activity in the Truckee Meadows was mixed during the first quarter of 1989 as February's inclement weather conditions negatively impacted the local economy. Nevertheless, joblessness was at a relatively low level while employment was above last year's level. Spending was impressive in terms of local purchases, but tourist related activity appeared to be a little sluggish. On a very positive note, non-residential and commercial construction, thus far this year, appears to be strong. Numerous projects are in various phases of completion.

The area's rate of unemployment averaged 5.0 percent during the quarter, slightly lower than last year's 5.2 percent. This translates to approximately 8,400 unemployed, comparable to last year's 8,500. Unemployment in March totaled 7,600, almost 1,600 fewer than February's count when many workers were laid

off due to spotty visitation and the temporary closure of many construction sites.

Establishment-based industrial employment averaged 138,000 during the quarter, 4.2 percent higher than last year. All industries shared in the growth except manufacturing which remained unchanged at 8,800. This despite a durable goods manufacturer which closed its business in January laying off about 80 workers. The largest job gain occurred in trade, which was up by 2,000, primarily in the retail sector. Employment in services was up by 1,400, 2.6 percent higher than last year. Gains in legal, medical, and business services helped to offset a 300-job loss in HGR. Further, construction payrolls were up by 1,000 over the year, reflecting a strong 15.4 percent increase. Employment in government was up 700, mainly in state and local jurisdictions. Much smaller increases were reported for mining, TCPU, and FIRE.

Gross gaming revenues for 1988 were up 6.0 percent over the year, much less than the 6.8 percent gain for 1987, but considerably higher than the 1.0 and 1.3 percent gains reported for 1986 and 1985 respectively. Taxable sales receipts totaled more than $2.5 billion during 1988, 11.2 percent higher than 1987. This gain was almost 3 times greater than the 4.4 percent 1987 gain. Permits for construction of single and multiple residential units during the first two months of 1989 were somewhat weaker, off by about 14 percent of the 1988 pace. However, there are four large highway construction projects underway valued at more than $45 million, as well as numerous offices, warehouses, and shopping center developments.

Air traffic passenger counts and occupancy levels at hotels/motels in Reno/Sparks were below year ago volumes. During 1988, passenger counts totaled more than 3.2 million, five percent fewer than the prior year. In addition, the area experienced an occupancy level of about 67 percent during 1988, slightly lower than 1987's level. Passenger volumes and occupancy rates early in 1989 suggest a continuance of this trend. Currently, there are about 24,300 hotel/motel rooms in the area. In May, that number will increase by about 400 with the opening of an expansion of a major hotel/casino in downtown Reno. Additionally, tourism counts to the northern Nevada area during 1988 exceeded the 7 million level for the first time.

There are indications that business activity in the second quarter will be improved. The jobless rate should continue to be favorable due to hotel/casinos hiring for this summer's prime-tourist season. Further, hiring at two expanded/remodeled hotel/casinos will help to offset the employment decrease at a third hotel/casino whose theatrical production, employing several hundred workers, closed in April.

## BALANCE OF STATE

Although the average unemployment rate for the first quarter of 1989 was higher than might have been expected because of the extremely foul weather in February, the rate for the balance of state (BOS) exactly equalled that from the same period of 1988. And in spite of the weather, the average wage and salary employment level for the period was 9,200 more than in 1988, a 10.7 percent increase.

Mining has been one of the strongest industries in the rural counties for the last few years, and indications are that the trend will continue at least through 1989. Mining employment has gone from making up 9.9 percent of the BOS employment in the first quarter of 1988 to 11.1 percent in 1989. With the exception of the re-opening of a molybdenum mine in Nye County and a mercury mine in Humboldt County, all of the mining growth has been in gold and silver. While the development of one gold mine in White Pine County has been delayed by the current comparatively low gold prices, other gold mines in White Pine, Elko, Eureka, Humboldt, Lander, and Nye Counties are opening and/or expanding. As additional proof that Nevada is not a one-mineral state, there is a renewal of copper mining in Lyon County and

zinc mining in White Pine County, plus copper leach testing in Pershing County.

Construction employment is up roughly 1,600 over-the-year in the balance of state. The demands for residential, highway, school, mining, manufacturing-plant, and trade-facility construction may very well lead to construction employment making up an even greater share of BOS employment than its present 6.4 percent (compared to 5.2 percent at the same time in 1988). And indications are that the construction activity will take place in virtually every area of the State.

Manufacturing added 400 workers from the same period of 1988. Most of the BOS manufacturing is located in Carson City, Douglas, and Lyon Counties, and the range of goods produced is quite extensive. Because of some new firms moving into the State and some of the established firms expanding, the industry is expected to grow at about the same rate as during the past year. The growth will largely be in the already established geographic areas.

The trade industry is the third largest industrial employer in the balance of state. Approximately 1,000 jobs have been added since the first quarter of 1988, and demands, particularly in the Elko area, are such that further growth is probable through this coming summer. In addition to the Elko area, major trade expansion is anticipated in Douglas and Nye Counties.

The service industry provides more than twice as many BOS jobs as any other industry, and it added more jobs (2,300) from 1988 than any other industry. Its rate of growth, however, is less than all but two other industries in the balance of state. While no other industry is expected to replace it as the leading employer, it will probably continue to grow more slowly than most other industries. There is some

**Balance of State**
**Unemployment Rates by County**
**(seasonally adjusted)**

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| County | Jan | Feb | Mar | Jan | Feb | Mar |
| Carson City | 6.1% | 6.9% | 5.9% | 6.4% | 5.9% | 5.8% |
| Churchill | 6.1 | 7.2 | 6.6 | 6.7 | 6.7 | 6.0 |
| Douglas | 4.7 | 5.7 | 4.7 | 5.9 | 6.0 | 5.7 |
| Elko | 4.4 | 5.3 | 5.2 | 5.0 | 5.8 | 5.2 |
| Esmeralda | 4.4 | 6.5 | 5.4 | 7.0 | 7.6 | 7.9 |
| Eureka | 2.9 | 2.4 | 2.5 | 2.8 | 2.5 | 2.7 |
| Humboldt | 4.4 | 6.2 | 5.5 | 4.4 | 4.5 | 4.9 |
| Lander | 4.9 | 4.9 | 5.0 | 4.6 | 5.0 | 6.0 |
| Lincoln | 4.9 | 5.3 | 5.0 | 5.0 | 5.2 | 5.2 |
| Lyon | 6.7 | 7.4 | 5.4 | 6.6 | 5.8 | 5.7 |
| Mineral | 5.5 | 7.0 | 5.6 | 5.2 | 5.0 | 5.2 |
| Nye | 4.8 | 5.7 | 5.5 | 5.0 | 5.1 | 5.8 |
| Pershing | 2.8 | 3.7 | 3.6 | 3.4 | 3.0 | 3.7 |
| Storey | 7.1 | 6.7 | 6.3 | 6.6 | 8.0 | 8.9 |
| White Pine | 7.2 | 8.8 | 7.0 | 10.1 | 10.0 | 9.1 |

expansion of casino facilities underway or planned in Carson City, Douglas, Elko, and Lyon Counties, but the overall effect on service employment will be minor.

Government employment has also increased over the year, and a major share of the gain has been in education. While this may not be a significant factor for the next few months, it is expected that Nevada's dramatically expanding population will require at least a proportional increase in education employment by next fall. Some city and county managers have also expressed concern for filling other needed staffing positions. Law enforcement personnel in particular seem to be in demand.

Long term unemployment rates are difficult to anticipate in an economy as dynamic as Nevada's because it has become such a destination for jobseekers from other states. It's a challenge to maintain the State's job growth at a level equal to the immigration of workers. Given that, it seems probable that expected new job creation will be sufficient to keep the unemployment rates in the balance of state near their current levels for the next several months.

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**Tight Labor Markets And Wage Inflation**

by
Jim Hanna
Chief, Employment Security Research

On April 25, the Bureau of Labor Statistics (BLS) released the Employment Cost Index (ECI) for the quarter ending March 31, 1989. As a measure of the change in the cost of labor, the ECI is a key indicator of how well labor markets are responding to low unemployment rates and broad inflationary trends. In terms of the latter two measures, data released in April indicated the national unemployment rate at a nineteen year low (5.1 percent), while the annualized inflation rate was slightly over six percent.

Behind these statistics is the specter of wage-price inflation. Tight labor markets typically result in an upward movement in wages as employers compete for a diminishing supply of labor. The price element comes into play as employers attempt to pass higher labor costs along in the form of higher prices. Higher prices, in turn, erode the purchasing power of wages inducing demands for higher wages. The end result is a classical inflationary spiral similar to what occurred during the late 1970's.

Theory aside, just what did the ECI indicate? Some interesting insights can be gained from analyzing the various elements of the index over the past three years as follows:

**Twelve Month Percent Changes in the ECI**

| | 12-months ended | Compensation Costs | Wages and Salaries | Benefit Costs |
|---|---|---|---|---|
| 1986 | March | 3.8 | 3.9 | 3.2 |
| | June | 3.8 | 3.7 | 3.5 |
| | Sept. | 3.2 | 3.1 | 3.3 |
| | Dec. | 3.2 | 3.1 | 3.4 |
| 1987 | March | 3.1 | 3.2 | 2.9 |
| | June | 3.0 | 3.0 | 3.3 |
| | Sept. | 3.3 | 3.3 | 3.5 |
| | Dec. | 3.3 | 3.3 | 3.5 |
| 1988 | March | 3.9 | 3.3 | 5.8 |
| | June | 4.5 | 3.7 | 6.4 |
| | Sept. | 4.5 | 3.7 | 6.7 |
| | Dec. | 4.9 | 4.1 | 6.8 |
| 1989 | March | 4.6 | 4.2 | 5.4 |

The data indicate that the percentage increase in total compensation costs declined somewhat in the most current quarter, after reaching a three year high of 4.9 percent in the last quarter of 1988. The wage and salary component has also been increasing throughout this period, though not as much as might be expected considering the tightness of labor markets. The 4.2 percent recorded in the quarter ending March 31, 1989, was only slightly higher than the readings for the latter three quarters of 1988. Interestingly, BLS noted that the figure reflects "...the influence of relatively large pay increases of sales workers." When this group is excluded, pay gains averaged 3.9 percent.

Another interesting aspect of the wage and salary data relates to differences between union and nonunion workers. Increases for nonunion workers for the 12 month period ending on March 31st, at 5.1 percent, were considerably higher than unionized workers who recorded a gain of 3.1 percent. This pattern has prevailed since March of 1984.

As the chart indicates, the volatile element of the total compensation package has been benefits. Spurred on by increases in the social security tax rate (up 5 percent) and costs for health packages, the over-the-year percentage gains in this area more than doubled in 1988 over what they were in the prior two years, and considerably exceeded percentage changes in wages and salaries. The drop in the first quarter of 1989 reflects the fact the social security tax rate will not increase this year.

So what does the ECI tell us? Overall the recent release indicates that the wage-price spiral that economists have been anticipating has yet to materialize. While compensation costs are up, wages themselves have not significantly increased. Rather, it is the non-wage portion of compensation that deserves closer scrutiny. In fact, the March 20th issue of the Wall Street Journal reported that "After adjusting for inflation, average weekly paychecks last year were 15% smaller than they were in 1973."

**ESD Has The Answers**

When was the lowest unemployment rate in Clark County during the past five years? Of the western states, what state has the highest per capita income? What is the population of the City of Reno? How many manufacturing firms are there in Carson City? What is the wage for a slot mechanic in the Las Vegas area? You can have all the answers and more by simply dialing NEDS.

NEDS is the Nevada Economic Database System now available to the public at no cost. If you have access to a personal computer with a modem, contact the Employment Security Research Section to obtain your ID number and password. The Research Section will also send you a user's guide. After reviewing the guide, you will realize that the entire system could not be easier to use. You will find that this is truly a 'user friendly' system.

For your convenience, NEDS is located in Carson City and Las Vegas. This will avoid long distance telephone charges for all but the rural communities. Once you receive an ID number and password, you can call the location nearest you.

Most data in the system are available by county. There are five reports designed with detail county data. You can print any or all reports on your printer.

**Report 1**: A summary which includes the most recent population, per capita income, labor force, industrial employment, and industrial wages.

**Report 2**: Offers the most current monthly labor force data compared to the same time period for the past three years as well as the past month.

**Report 3**: Shows the most recent industrial employment available for the area. It also shows the three year and past month comparison.

**Report 4**: Shows the number of firms categorized by size of employment and the percent of total employees that are in each category. In addition, it offers the number of firms in the county by industry.

**Report 5**: Which was recently added to the system, shows the trend in unemployment rates during the past five years.

General economic indicators are also available in NEDS. At the national level a five year historical comparison is given for the Consumer Price Index, Gross National Product, and the national unemployment rate. Recent additions to the system are the unemployment rate, per capita income, and average annual wage for all western states. At the state level, the most recent quarterly gaming and sales tax revenues are presented for Nevada and selected counties. A five-year historical per capita income has been added for all counties.

The system also contains the annual wage survey conducted by the Research Section for selected occupations. These statistics are collected for Clark and Washoe counties with the rural counties combined as the balance of state. The 1989 survey is currently being conducted and should be available in the system by late summer.

In addition, NEDS contains the narrative economic analysis currently being published in the quarterly Economic Update. Narrative for Nevada, Las Vegas, Reno and the balance of state is available. Also, a brief state narrative is presented monthly.

A listing of all labor market publications produced by the Research Section is available in NEDS with a brief description. Names and telephone numbers are listed if you wish to receive any of the publications or find you need additional information on a specific topic.

Remember, data in NEDS are frequently available many weeks prior to the time it is available in a publication. This system was designed by the Employment Security Department as one of many services to enable employers to receive timely, straight forward responses to meet their planning and business needs.

For further information contact:

Nevada Employment Security Department
Research Section
500 E. Third Street
Carson City, Nevada 89713
Telephone (702) 885-4550
Attn: Zina Turney or Kim Harris

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**Nevada's Agricultural Trends**

by
Mike Clarke, Labor Economist

The preliminary 1987 Census of Agriculture for Nevada, recently issued by the U.S. Department of Commerce, indicates that total farm acreage in the State has increased since 1982, that the number of farms has increased, and that the market value of crops produced has increased dramatically. On the other hand, the total value of all Nevada farms has decreased by roughly 10 percent.

The accompanying table shows that, while total farm acreage increased, the average size of the farms decreased by more than 10 percent. In addition, the number of operators for whom farming was their principle occupation declined from 57.1 percent of all farm operators to 55.3 percent. The number of operators working 200 or more days a year off the farm (roughly a full-time, off farm job equivalency) increased by almost 17 percent between 1982 and 1987.

The market value of crops produced in Nevada increased by 23.6 percent in the period cited. Almost all of that increase came from livestock, poultry, and their products. While crop earnings rose slightly, the increase

did not equal what could have been expected from inflation alone.

No date has yet been given for the availability of the final Census of Agriculture. Further information can be obtained from The Nevada State Library and Archives or census affiliates located throughout the State.

## NEVADA
### Farm and Farm- Related Information
### 1982 & 1987

| | 1987 | 1982 |
|---|---|---|
| Farms | 3,027.0 | 2,719.0 |
| Land in Farms (acres) | 9,988,520.0 | 9,980,201.0 |
| Ave. Size of Farm | 3,300.0 | 3,671.0 |
| Ave. Farm Value ($) | 749,936.0 | 925,540.0 |
| Ave. Equip. Value ($) | 52,474.0 | 52,928.0 |
| Farms by Size: | | |
| 1 to 9 acres | 574.0 | 405.0 |
| 10 to 49 acres | 671.0 | 574.0 |
| 50 to 179 acres | 574.0 | 535.0 |
| 180 to 499 acres | 453.0 | 461.0 |
| 500 to 999 acres | 267.0 | 224.0 |
| 1,000 & up acres | 488.0 | 520.0 |
| Total Cropland | 802,604.0 | 861,883.0 |
| Harvested C-land | 526,067.0 | 605,082.0 |
| Irrigated Land (acre) | 778,977.0 | 829,761.0 |
| Market Value of | | |
| Products Sold ($) | 250,458,000.0 | 202,581,000.0 |
| Ave. per Farm ($) | 82,741.0 | 74,506.0 |
| Crops, etc. ($) | 75,685,000.0 | 72,582,000.0 |
| Livestock, etc. ($) | 174,773,000.0 | 129,999,000.0 |
| Operators: | | |
| by Principle Occ. | | |
| Farming | 1,675.0 | 1,553.0 |
| Other | 1,352.0 | 1,166.0 |
| by Days Worked Off Farm | | |
| Any | 1,654.0 | 1,505.0 |
| 200 Days Plus | 1,042.0 | 891.0 |
| by Average Age | 52.3 | 51.5 |

Source: U.S. Department of Commerce

## 1988 PER CAPITA INCOME

by
Gary Lungstrum, Labor Economist

Beginning in 1982 a reversal occurred regarding regional per capita income growth trends. Until the early 1980's there had been a tendency for all regions to converge towards the national average. Between 1982 and 1988 that trend has been one of a widening gap. In fact, according to the U.S. Department of Commerce, the difference between the lowest and highest region was wider in 1988 than in any year since 1969. The two factors affecting this vital statistic are population and economic growth.

Slow growth in population and rapid income gains (large service and construction industry payroll increases) led the New England and Mideast regions in 1988 to a quick escalation in per capita income. In the Far West, both population and personal income grew quickly. The Southwest and Rocky Mountain regions were subject to a weakness in oil and gas exploration and related construction and financial activities. The table below shows the income levels and average growth for the years 1982 and 1988.

**Table 1**

**United States and Regions**

| Region | Per Capita Income 1982 | Per Capita Income 1988 | Average Annual Growth 1982-88 |
|---|---|---|---|
| United States | $ 11,481 | $ 16,444 | 6.2 % |
| New England | 12,572 | 20,013 | 8.1 |
| Mideast | 12,592 | 18,904 | 7.0 |
| Far West | 12,840 | 18,235 | 6.0 |
| Great Lakes | 11,292 | 16,161 | 6.2 |
| Plains | 11,109 | 15,495 | 7.2 |
| Southwest | 11,335 | 14,365 | 4.0 |
| Southeast | 9,877 | 14,331 | 6.4 |
| Rocky Mountain | 11,028 | 14,282 | 4.4 |

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis

Nevada, part of the Far West region, ranked 12th in the nation in 1988, while California ranked 8th. Table 2 (on the next page) shows the per capita income level for various years for the states in the Far West region.

Table 2

Per Capita Income
Far West Region and States

| Region | 1982 | 1986 | 1987 | 1988 |
|---|---|---|---|---|
| Far West | $ 12,840 | $ 16,261 | $ 17,236 | $ 18,235 |
| California | 13,238 | 16,818 | 17,856 | 18,855 |
| Nevada | 12,498 | 15,481 | 16,412 | 17,440 |
| Oregon | 10,581 | 13,226 | 14,019 | 14,982 |
| Washington | 12,019 | 14,899 | 15,630 | 16,569 |
| Alaska | 17,371 | 18,479 | 18,353 | 19,514 |
| Hawai | 11,760 | 14,702 | 15,683 | 16,898 |

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis

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## NEVADA LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | JAN | FEB | MAR P | JAN | FEB | MAR |
| CIVILIAN LABOR FORCE | 595.0 | 599.2 | 602.1 | 560.4 | 565.9 | 571.9 |
| UNEMPLOYMENT | 35.2 | 38.7 | 34.6 | 34.9 | 36.5 | 36.5 |
| NEMPLOYMENT RATE | 5.9% | 6.5% | 5.7% | 6.2% | 6.5% | 6.4% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 5.2% | 5.8% | 5.4% | 5.5% | 5.8% | 6.0% |
| TOTAL EMPLOYMENT 1/ | 559.8 | 560.5 | 567.5 | 525.5 | 529.3 | 535.4 |
| NONAGRICULTURAL EMPLOYMENT | 555.4 | 556.1 | 561.8 | 519.8 | 522.9 | 529.0 |
| AGRICULTURAL EMPLOYMENT | 4.4 | 4.4 | 5.7 | 5.7 | 6.4 | 6.4 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | JAN | FEB | MAR P | JAN | FEB | MAR |
| TOTAL NONAGRICULTURAL | 550.4 | 552.4 | 558.0 | 509.5 | 513.4 | 520.3 |
| MINING | 12.0 | 12.0 | 12.3 | 9.5 | 9.7 | 10.0 |
| METAL MINING | 10.8 | 10.9 | 11.1 | 8.4 | 8.6 | 8.9 |
| CONSTRUCTION | 39.0 | 38.7 | 39.8 | 29.2 | 30.6 | 31.8 |
| MANUFACTURING | 25.6 | 25.8 | 25.9 | 24.5 | 24.6 | 24.6 |
| DURABLE GOODS | 15.4 | 15.5 | 15.7 | 14.9 | 14.8 | 14.7 |
| STONE, CLAY & GLASS PRODUCTS | 2.0 | 1.9 | 2.0 | 1.8 | 1.8 | 1.8 |
| PRIMARY METAL INDUSTRIES | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 |
| NON-DURABLE GOODS | 10.2 | 10.3 | 10.2 | 9.6 | 9.8 | 9.9 |
| FOOD PRODUCTS | 1.7 | 1.6 | 1.6 | 1.5 | 1.5 | 1.6 |
| PRINTING & PUBLISHING | 4.5 | 4.5 | 4.5 | 4.4 | 4.5 | 4.5 |
| CHEMICALS | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 |
| TRANSPORTATION & PUBLIC UTILITIES | 29.5 | 29.7 | 29.8 | 28.1 | 28.1 | 28.4 |
| TRANSPORTATION | 17.5 | 17.7 | 17.8 | 16.4 | 16.4 | 16.5 |
| RAILROAD | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| TRUCKING & WAREHOUSE | 5.1 | 5.1 | 5.1 | 4.5 | 4.6 | 4.7 |
| AIR | 4.5 | 4.5 | 4.6 | 4.5 | 4.3 | 4.4 |
| PUBLIC UTILITIES | 12.0 | 12.0 | 12.0 | 11.7 | 11.7 | 11.9 |
| TOTAL TRADE | 111.5 | 111.2 | 112.3 | 105.3 | 105.0 | 106.1 |
| WHOLESALE | 20.9 | 21.0 | 21.3 | 19.5 | 19.6 | 19.9 |
| RETAIL | 90.6 | 90.2 | 91.0 | 85.8 | 85.4 | 86.2 |
| GENERAL MERCHANDISE & APPAREL | 16.6 | 15.9 | 15.7 | 16.4 | 15.4 | 15.2 |
| FOOD STORES | 13.2 | 13.1 | 13.2 | 12.4 | 12.5 | 12.6 |
| AUTO DEALERS & SERVICE STATIONS | 11.8 | 11.9 | 12.0 | 11.0 | 11.1 | 11.2 |
| EATING & DRINKING PLACES | 29.6 | 29.9 | 30.5 | 28.1 | 28.3 | 28.8 |
| FINANCE, INSURANCE & REAL ESTATE | 25.2 | 25.4 | 25.6 | 23.4 | 23.6 | 23.9 |
| FINANCE | 11.4 | 11.5 | 11.6 | 10.8 | 10.8 | 10.9 |
| SERVICE INDUSTRIES | 238.8 | 238.6 | 240.8 | 224.5 | 225.1 | 227.8 |
| HOTELS, GAMING & RECREATION | 146.2 | 146.3 | 147.7 | 139.0 | 139.4 | 140.8 |
| PERSONAL | 6.7 | 6.8 | 6.9 | 6.0 | 6.1 | 6.2 |
| BUSINESS | 30.6 | 29.8 | 30.0 | 28.8 | 28.0 | 28.6 |
| MEDICAL & HEALTH | 23.6 | 23.7 | 23.7 | 21.6 | 21.9 | 22.1 |
| GOVERNMENT | 68.8 | 71.0 | 71.5 | 65.0 | 66.7 | 67.7 |
| FEDERAL | 11.7 | 11.7 | 11.7 | 11.1 | 11.1 | 11.1 |
| STATE & LOCAL | 57.1 | 59.3 | 59.8 | 53.9 | 55.6 | 56.6 |
| EDUCATION - STATE & LOCAL | 26.1 | 28.1 | 28.4 | 24.4 | 25.9 | 26.8 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | JAN | FEB | MAR P | JAN | FEB | MAR |
| CIVILIAN LABOR FORCE | 351.2 | 353.1 | 355.1 | 329.1 | 332.2 | 336.0 |
| UNEMPLOYMENT | 19.9 | 21.4 | 20.4 | 19.3 | 21.1 | 21.9 |
| UNEMPLOYMENT RATE | 5.7% | 6.1% | 5.7% | 5.9% | 6.4% | 6.5% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 5.4% | 5.8% | 5.7% | 5.5% | 6.1% | 6.5% |
| TOTAL EMPLOYMENT 1/ | 331.3 | 331.7 | 334.7 | 309.8 | 311.1 | 314.1 |
| NONAGRICULTURAL EMPLOYMENT | 329.3 | 330.6 | 333.3 | 308.4 | 309.5 | 312.5 |
| AGRICULTURAL EMPLOYMENT | 2.0 | 1.1 | 1.4 | 1.4 | 1.6 | 1.6 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | JAN | FEB | MAR P | JAN | FEB | MAR |
| TOTAL NONAGRICULTURAL | 318.5 | 320.1 | 322.2 | 294.0 | 295.4 | 298.2 |
| MINING | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| CONSTRUCTION | 25.2 | 25.5 | 26.0 | 18.8 | 19.6 | 20.1 |
| MANUFACTURING | 9.8 | 10.0 | 10.0 | 9.2 | 9.2 | 9.2 |
| DURABLE GOODS | 4.9 | 5.0 | 5.0 | 4.7 | 4.7 | 4.6 |
| STONE, CLAY, & GLASS PRODUCTS | 1.1 | 1.1 | 1.1 | 1.0 | 1.0 | 1.0 |
| NON-DURABLE GOODS | 4.9 | 5.0 | 5.0 | 4.5 | 4.5 | 4.6 |
| FOOD PRODUCTS | 1.0 | 1.0 | 1.0 | 0.9 | 0.9 | 0.9 |
| PRINTING & PUBLISHING | 2.4 | 2.4 | 2.4 | 2.1 | 2.2 | 2.2 |
| CHEMICALS | 0.5 | 0.5 | 0.5 | 0.6 | 0.6 | 0.6 |
| TRANSPORTATION & PUBLIC UTILITIES | 16.7 | 16.9 | 16.9 | 15.8 | 15.8 | 16.1 |
| TRANSPORTATION | 10.3 | 10.4 | 10.4 | 9.6 | 9.6 | 9.6 |
| RAILROAD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| AIR | 2.9 | 2.9 | 3.0 | 3.0 | 2.8 | 2.9 |
| PUBLIC UTILITIES | 6.4 | 6.5 | 6.5 | 6.2 | 6.2 | 6.5 |
| TOTAL TRADE | 65.6 | 65.8 | 66.0 | 62.6 | 62.6 | 63.0 |
| WHOLESALE | 11.3 | 11.4 | 11.5 | 10.6 | 10.6 | 10.8 |
| RETAIL | 54.3 | 54.4 | 54.5 | 52.0 | 52.0 | 52.2 |
| GENERAL MERCHANDISE & APPAREL | 9.2 | 8.9 | 8.8 | 9.2 | 8.7 | 8.6 |
| EATING & DRINKING PLACES | 19.0 | 19.3 | 19.3 | 18.3 | 18.4 | 18.4 |
| FINANCE, INSURANCE & REAL ESTATE | 16.1 | 16.2 | 16.3 | 14.5 | 14.7 | 14.7 |
| FINANCE | 7.5 | 7.5 | 7.6 | 6.7 | 6.8 | 6.8 |
| SERVICE INDUSTRIES | 149.6 | 149.3 | 150.4 | 139.6 | 139.4 | 140.4 |
| HOTELS, GAMING & RECREATION | 97.5 | 97.8 | 98.5 | 91.6 | 91.7 | 92.2 |
| PERSONAL | 4.5 | 4.6 | 4.6 | 3.9 | 3.9 | 4.0 |
| BUSINESS | 16.1 | 15.2 | 15.3 | 15.4 | 14.5 | 14.8 |
| GOVERNMENT | 35.3 | 36.2 | 36.4 | 33.3 | 33.9 | 34.5 |
| FEDERAL | 6.6 | 6.6 | 6.6 | 6.3 | 6.3 | 6.3 |
| STATE & LOCAL | 28.7 | 29.6 | 29.8 | 27.0 | 27.6 | 28.2 |
| EDUCATION - STATE & LOCAL | 14.0 | 14.7 | 14.8 | 12.9 | 13.5 | 14.0 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## RENO LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | JAN | FEB | MAR P | JAN | FEB | MAR |
| CIVILIAN LABOR FORCE | 139.6 | 140.5 | 141.2 | 135.7 | 136.8 | 138.4 |
| UNEMPLOYMENT | 8.3 | 9.2 | 7.6 | 8.6 | 8.5 | 8.3 |
| EMPLOYMENT RATE | 5.9% | 6.6% | 5.4% | 6.3% | 6.2% | 6.0% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 4.6% | 5.5% | 4.9% | 5.0% | 5.2% | 5.4% |
| TOTAL EMPLOYMENT 1/ | 131.4 | 131.3 | 133.6 | 127.1 | 128.2 | 130.2 |
| NONAGRICULTURAL EMPLOYMENT | 130.8 | 130.7 | 132.8 | 126.3 | 127.4 | 129.3 |
| AGRICULTURAL EMPLOYMENT | 0.6 | 0.6 | 0.8 | 0.8 | 0.9 | 0.9 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

**********

## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | JAN | FEB | MAR P | JAN | FEB | MAR |
| TOTAL NONAGRICULTURAL | 137.2 | 137.4 | 139.4 | 130.9 | 132.1 | 134.2 |
| MINING | 1.3 | 1.2 | 1.3 | 1.0 | 1.0 | 1.1 |
| CONSTRUCTION | 7.6 | 7.2 | 7.7 | 6.2 | 6.5 | 6.8 |
| MANUFACTURING | 8.8 | 8.8 | 8.9 | 8.8 | 8.8 | 8.7 |
| DURABLE GOODS | 5.5 | 5.4 | 5.6 | 5.4 | 5.4 | 5.3 |
| NON-DURABLE GOODS | 3.3 | 3.4 | 3.3 | 3.4 | 3.4 | 3.4 |
| TRANSPORTATION & PUBLIC UTILITIES | 9.4 | 9.4 | 9.5 | 9.2 | 9.2 | 9.3 |
| TRANSPORTATION | 5.2 | 5.2 | 5.3 | 5.0 | 5.0 | 5.1 |
| RAILROAD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| TRANSPORTATION EXCL. RAILROAD | 4.9 | 4.9 | 5.0 | 4.7 | 4.7 | 4.8 |
| PUBLIC UTILITIES | 4.2 | 4.2 | 4.2 | 4.2 | 4.2 | 4.2 |
| TOTAL TRADE | 32.4 | 32.1 | 32.5 | 30.4 | 30.0 | 30.4 |
| WHOLESALE | 7.8 | 7.9 | 8.0 | 7.4 | 7.5 | 7.5 |
| RETAIL | 24.6 | 24.2 | 24.5 | 23.0 | 22.5 | 22.9 |
| GENERAL MERCHANDISE & APPAREL | 6.3 | 6.0 | 5.9 | 6.1 | 5.7 | 5.9 |
| EATING & DRINKING PLACES | 6.7 | 6.7 | 7.1 | 6.0 | 6.1 | 6.4 |
| FINANCE, INSURANCE & REAL ESTATE | 6.8 | 6.8 | 6.8 | 6.7 | 6.7 | 6.8 |
| SERVICE INDUSTRIES | 54.2 | 54.3 | 54.9 | 52.4 | 53.0 | 54.0 |
| HOTELS, GAMING & RECREATION | 29.6 | 29.4 | 29.9 | 29.5 | 29.7 | 30.4 |
| PERSONAL | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |
| GOVERNMENT | 16.7 | 17.6 | 17.8 | 16.2 | 16.9 | 17.1 |
| FEDERAL | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 |
| STATE & LOCAL | 13.8 | 14.7 | 14.9 | 13.3 | 14.0 | 14.2 |
| EDUCATION - STATE & LOCAL | 7.5 | 8.3 | 8.4 | 7.2 | 7.8 | 8.1 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

| | AVERAGE WEEKLY EARNINGS | | | AVERAGE WEEKLY HOURS | | | AVERAGE HOURLY EARNINGS | | |
|---|---|---|---|---|---|---|---|---|---|
| | JAN 1989 | FEB 1989 | MAR P 1989 | JAN 1989 | FEB 1989 | MAR P 1989 | JAN 1989 | FEB 1989 | MAR P 1989 |
| MINING | $ 667.25 | 646.50 | 638.98 | 42.8 | 42.2 | 41.9 | 15.59 | 15.32 | 15.25 |
| CONSTRUCTION | 592.48 | 585.90 | 601.28 | 36.8 | 36.1 | 37.3 | 16.10 | 16.23 | 16.12 |
| MANUFACTURING | 410.25 | 410.66 | 411.64 | 40.3 | 40.3 | 41.0 | 10.18 | 10.19 | 10.04 |
| DURABLE GOODS | 435.97 | 443.31 | 438.33 | 41.8 | 42.1 | 43.1 | 10.43 | 10.53 | 10.17 |
| STONE, CLAY & GLASS | 616.59 | 643.24 | 607.16 | 42.7 | 44.3 | 43.0 | 14.44 | 14.52 | 14.12 |
| PRIMARY METALS | 638.78 | 664.70 | 638.86 | 38.0 | 41.7 | 40.9 | 16.81 | 15.94 | 15.62 |
| NONDURABLE GOODS | 367.04 | 356.59 | 366.75 | 37.8 | 37.3 | 37.5 | 9.71 | 9.56 | 9.78 |
| PRINTING & PUBLISHING | 359.56 | 363.29 | 361.08 | 36.1 | 35.1 | 34.0 | 9.96 | 10.35 | 10.62 |
| PUBLIC UTILITIES | 609.00 | 617.18 | 608.47 | 40.6 | 40.9 | 40.7 | 15.00 | 15.09 | 14.95 |
| TRADE | 322.71 | 320.51 | 325.03 | 34.7 | 34.8 | 34.8 | 9.30 | 9.21 | 9.34 |

P = PRELIMINARY

## AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

| | AVERAGE WEEKLY EARNINGS | | | AVERAGE WEEKLY HOURS | | | AVERAGE HOURLY EARNINGS | | |
|---|---|---|---|---|---|---|---|---|---|
| | JAN 1989 | FEB 1989 | MAR P 1989 | JAN 1989 | FEB 1989 | MAR P 1989 | JAN 1989 | FEB 1989 | MAR P 1989 |
| CONSTRUCTION | 591.51 | 585.31 | 597.55 | 36.9 | 36.4 | 37.7 | 16.03 | 16.08 | 15.85 |
| MANUFACTURING | 537.31 | 536.22 | 546.88 | 41.3 | 41.6 | 42.1 | 13.01 | 12.89 | 12.99 |
| DURABLE GOODS | 600.28 | 610.46 | 607.70 | 41.2 | 42.6 | 43.5 | 14.57 | 14.33 | 13.97 |
| NONDURABLE GOODS | 445.71 | 424.51 | 453.60 | 41.5 | 40.2 | 40.0 | 10.74 | 10.56 | 11.34 |
| TRANSPORT. & UTILITIES | 510.04 | 518.74 | 520.25 | 41.0 | 41.4 | 40.9 | 12.44 | 12.53 | 12.72 |
| WHOLESALE TRADE | 434.58 | 434.19 | 429.94 | 39.4 | 39.4 | 39.3 | 11.03 | 11.02 | 10.94 |
| RETAIL TRADE | 246.48 | 245.12 | 253.27 | 31.6 | 32.0 | 32.1 | 7.80 | 7.66 | 7.89 |

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT
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CARSON CITY NEVADA 89713-0001

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9/2/89

Nevada Employment Security Department

# economic update

BOB MILLER
Governor

STANLEY P. JONES
Executive Director

**ECONOMIC UPDATE**
Unemployment Rate
(SeasonallyAdjusted)

| | | APR | MAY | JUN |
|---|---|---|---|---|
| Nevada | 1989 | 5.1% | 5.3% | 5.5% |
| | 1988 | 5.6 | 5.6 | 5.4 |
| Las Vegas | 1989 | 5.4 | 5.4 | 5.5 |
| | 1988 | 6.2 | 6.0 | 5.9 |
| Reno | 1989 | 4.7 | 4.9 | 5.2 |
| | 1988 | 5.0 | 5.0 | 4.7 |
| U.S | 1989 | 5.3 | 5.2 | 5.3 |
| | 1988 | 5.5 | 5.6 | 5.4 |

Consumer Price Index*
All Urban Consumers
*(1982 - 84 = 100)

| | APR | MAY | JUN |
|---|---|---|---|
| 1989 | 117.1 | 117.5 | 118.0 |
| 1988 | 123.1 | 123.8 | 124.1 |

**Gross Gaming Revenues**
(In Thousands)

| | 1st Qtr. 1989 | 1st Qtr. 1988 |
|---|---|---|
| Nevada | $1,098,041 | $1,035,322 |
| Las Vegas | 813,877 | 746,344 |
| Reno | 162,611 | 166,405 |

**Taxable Sales**
(In Thousands)

| | 1st Qtr. 1989 | 1st Qtr. 1988 |
|---|---|---|
| Nevada | $2,905,091 | $2,601,572 |
| Las Vegas | 1,664,649 | 1,439,982 |
| Reno | 579,733 | 560,160 |

## NEVADA ECONOMY
## 2nd Quarter 1989

The Nevada economy witnessed a gradual increase in the jobless picture throughout the second quarter of 1989. In April, the seasonally adjusted unemployment rate stood at 5.1 percent before increasing to 5.3 percent in May and moving upward again to 5.5 percent in June. The increase in unemployment in June was mainly caused by a rise in the number of new entrants and re-entrants into the labor force. As summer approaches, school closings cause a surge in the number of 16-19 year-olds looking for work.

The U.S. jobless measure was fairly steady during the quarter. In April, the unemployment rate registered 5.3 percent before dropping slightly to 5.2 percent in May and ending the period at 5.3 percent in June as the number of unemployed young adult workers (20-24 year-olds) grew. California's jobless count moved up steadily beginning with 5.4 percent in April, 5.5 percent in May and finishing the quarter with a 5.6 percent unemployment rate in June.

For the past 2 1/2 years, Nevada has led all states in annual percentage job growth. From April through June of the current year, Nevada averaged 6.8 percent in over-the-year industrial employment growth. At the end of the quarter, a total of 35,900 more jobs existed in the State of Nevada than in June 1988. All the major industries reported employment increases as

the service industry was responsible for 12,000 of the total gain in June. Of the total service jobs, 7,500 were created in the hotels, gaming, and recreation (HGR) sector alone. The trade industry also showed strong economic growth as 7,200 jobs were created over-the-year. Retail trade accounted for 5,700 of those positions.

The construction industry saw increased activity in the second quarter. According to June-over-June data, construction employment was up 18.2 percent for a total of 6,800 jobs. Mining continues to improve in several of Nevada's rural counties. Over-the-year, mining jobs have grown 17.1 percent statewide.

The Bureau of Labor Statistics (BLS) reported that the national nonagricultural payroll level increased by 180,000 in June where all of the gains occurred in the service-producing sector. In the goods sector, employment decreased by 50,000 as manufacturing fell for the third consecutive month.

The outlook for the Nevada economy calls for a possible decline in the unemployment rate. Tourism-related industries should experience increased activity during the summer months. Overall, the economic picture for the Silver State appears favorable.

## LAS VEGAS

Bolstered by a continuing record number of visitors, the Las Vegas economy has maintained a robust posture. The strong increases reflected by various economic indicators mirror the healthy nature of the Las Vegas economy. Industrial job gains have been widespread.

Visitor numbers through the first six months of the year are up over the record pace of 1988. And hotel/motel occupancy rates parallel last years figures despite a significant increase in the number of rooms. The strength of the tourism industry has also been reflected by increases in air passenger and vehicle traffic counts, which were each showing a higher level than the first half of 1988. First quarter 1989 gross gaming revenues and taxable sales continued to experience sizable gains. Gaming revenues were up 9 percent over the year, while taxable sales increased by 15.6 percent.

The labor market in Las Vegas also reflected the vibrant nature of the economy. During the April through June period, unemployment was basically unchanged. Monthly rates were 5.4, 5.4, and 5.5 percent, respectively. This 5.4 percent average quarterly unemployment rate was significantly lower than the 6.0 percent level experienced during the same period in 1988. There were an average of 19,000 persons unemployed during the second quarter 1989 - 900 fewer than the same period last year. This improvement came about despite a gain of over 15,000 in the labor force.

The number of jobs in each establishment-based industrial sector also indicated a strong, rapidly growing Las Vegas area. Total employment for second quarter 1989 averaged 327,300. This is an increase of 23,400 jobs (7.7 percent) over the year. This gain is much higher than the annual average growth experienced during the past 10 years. It is also one of the fastest employment growth rates in the nation.

The strength of the various industries, as measured by job gains, has reflected few variations over the past several quarters. The construction industry continued to exhibit very strong employment gains. By the end of the second quarter construction employment reached 28,200 - a 5,400 job (23.7 percent) increase over the same period last year. These gains continue to be spurred by a significant amount of commercial and residential construction. During the quarter, work was progressing on no fewer than 14 major hotel/casino projects in Clark County. In addition, the number of residential construction permits were running ahead of the record pace of 1988. During the first six months of 1989, there were nearly 14,000 residential permits issued in Clark County. During 1988, permits totaled 12,124 for the first six months, and just over 26,000 for the year.

Other industries which demonstrated faster than average growth for the year ended in June were finance, insurance, and real estate (FIRE), wholesale trade, manufacturing and the education sector of the government industry. The FIRE industry is being driven by the financial needs of construction and the home mortgage market. At the same time, wholesale trade firms and manufacturing businesses have been expanding or relocating to the Las Vegas Valley. The gains in education employment are a result of the government's efforts to expand the area's educational facilities to match the rapidly growing population.

However, many of new jobs continue to be found in the service industry, primarily in the HGR sector. There were a total of 5,400 new jobs in this sector over the year ended in June. Although the personal service industry jobs did increase at a much faster than average rate ( 12.2 percent), the service industry, as a whole, grew slower than average (5.8 percent). Basically, this slow growth rate reflects the large size of the industry.

The bustling economic climate in Las Vegas should continue for the foreseeable future. Employment gains will continue to be much faster than the long-term average as several major employers open for business. Likewise, unemployment should not increase appreciably as the tourism industry enjoys another dynamic year.

## RENO

Jobless levels in the Reno Metropolitan Statistical Area were mixed during the first half of 1989. The seasonally adjusted unemployment rate stood at 4.6 percent in January, increasing to 5.5 percent in February, before declining during the next two consecutive months. In April the rate approximated January's level, before edging upwards in May to 4.9 percent and 5.2 percent in June. During the second quarter of 1989, the jobless rate averaged 4.9 percent, equalling the rate for the year ago period. Also, the number of unemployed workers during the latest quarter totaled 6,700, only slightly higher than last year's count. This level of joblessness, however, is favorable when compared to the State average of 5.2 percent, or the nation's rate of 5.3 percent.

Establishment-based industrial employment reached a record high during the period, averaging 142,800. That was 6,200 more positions than for the year ago quarter and represented a growth rate of 4.5 percent. All major industries showed positive employment gains during this period with the retail and wholesale trade sector showing the best performance. Jobs in trade were up by 2,200 over the year, totaling 30,800. The bulk of the gains occurred in the general merchandise and apparel sector.

A 1,400 gain in the service industry ranked next in number of new jobs - it now totals 55,400. HGR, the principal segment of service employment, added only 100 jobs during the past year. However, this very small job gain in HGR was partially due to the closure of the Horseshoe Club (late last year), the closing in mid-April of the 'Hello Hollywood Hello' theatrical production at Bally's Grand Hotel/Casino, and the announced closure of Eddie's Fabulous 50's Casino in July. In contrast, some offset was evident as two sizable remodeling and expansion-additions and two smaller projects were completed during the period. Two other events also helped to increase employment - a closed casino was reopened during Memorial Day weekend in downtown Reno and a major tourist-related recreational water theme park opened in Sparks.

The employment level of construction averaged 8,300 during the quarter, 1,000 positions more than last year. This resulted in a gain of more than 13 percent, second highest of all industries. Numerous residential, commercial and miscellaneous construction activities are underway throughout the community. A 500 gain was reported for government jobs, mainly in the state and local sector. Further,

education employment totals reflect the summer break and the end of the school year. Transportation, communications, and public utilities (TCPU) rose by 400 over the year, resulting in a 4.3 percent gain. Jobs in manufacturing were up 300 over the year, totaling 8,700, while mining was up by 200 - standing at 1,500. On a percentage-basis, the increase in mining was the highest of all industries at 16.7 percent.

Taxable sales receipts totaled more than $579.7 million during the first quarter of 1989, reflecting a 3.5 percent increase over last year. This was only one-third the gain of the previous period and the lowest experienced during the past five quarters. Concurrently, gross gaming revenue at area casinos reflected a poor performance. Revenues totaled $162.6 million, down 2.3 percentage points over last year's amount. This was the lowest winning level since the 2.6 percent decrease experienced for the third quarter of 1986. However, it should be noted that the area was severely impacted by inclement weather earlier this year. At the same time, cumulative air passenger traffic counts through May were off by more than 10 percent when compared to last year.

However, some improvement is evident. Hotel/motel occupancy levels for the area's 24,000 plus units were slightly higher than a year ago. Tourism for June was aided by the week-long, 70th Annual Reno Rodeo event. While permits for construction of single and multiple family units cumulative through June were off by almost 30 percent, non-residential construction activity still appears to be strong.

Business activity during the upcoming prime tourist season should be healthy. The remodeling of a downtown Reno casino for $13 million will be completed in July, while a major addition to a hotel/casino in Sparks will be completed by August. Further, a multi-million addition is underway at a second downtown Reno hotel/casino location. Tourist levels should continue to be strong with numerous activities and events scheduled throughout the summer months. In addition, many businesses are adding workers to their staff while others are re-locating to the area.

## BALANCE OF STATE

Strong job growth in the balance of state (BOS) counties continued in the second quarter of 1989. The average wage and salary employment level for the period was 3,900 higher than in the first quarter, and it was 6,500 higher than at the same time in 1988. Roughly 30 percent of the 6,500 new jobs, (or 2,000 jobs) were in mining. The other major growth industries were government (1,400), service (1,200), trade (900), and construction (600).

Mining employment seems likely to continue to increase for the foreseeable future in spite of the fact that gold prices have not been able to break past the $380 per ounce level for several months. Mining expansion is underway in Elko, Eureka, Nye, and White Pine Counties; new mine construction has begun in Churchill and Mineral Counties;and mineral exploration is widespread.

Although some of the BOS construction projects have reached or are reaching conclusion, the number of construction jobs will probably increase through the summer. Other mining construction projects have been initiated, and some manufacturing plants are being built or expanded. Residential housing construction is underway in Elko, Douglas, and White Pine Counties. And assorted public service projects (such as senior citizens housing and highway construction) are either planned or in progress in many parts of rural Nevada.

The manufacturing industry has been relatively flat in the BOS counties for the last year - 200 new jobs. While no major activities are expected in the near future, moderate growth is expected because several small firms are starting up in the Carson City-Douglas County-Lyon County region. In addition, some of the established firms are expanding the size of their facilities.

**Balance Of State**
**Unemployment Rates By County**
(seasonally adjusted)

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| County | APR | MAY | JUN | APR | MAY | JUN |
| Carson City | 6.3% | 5.9% | 5.9% | 5.2% | 5.3% | 4.5% |
| Churchill | 5.9 | 6.5 | 6.5 | 5.5 | 5.8 | 6.5 |
| Douglas | 4.6 | 4.4 | 5.2 | 6.1 | 5.9 | 5.4 |
| Elko | 4.6 | 6.1 | 7.4 | 4.2 | 4.6 | 5.0 |
| Esmeralda | 5.5 | 4.9 | 4.4 | 6.5 | 8.5 | 8.2 |
| Eureka | 1.4 | 1.4 | 1.8 | 1.7 | 1.9 | 2.0 |
| Humboldt | 5.5 | 4.5 | 7.6 | 4.1 | 4.8 | 3.9 |
| Lander | 5.4 | 6.7 | 6.9 | 4.4 | 4.3 | 5.1 |
| Lincoln | 6.0 | 4.5 | 5.7 | 4.2 | 4.9 | 7.0 |
| Lyon | 5.7 | 5.6 | 5.3 | 5.1 | 5.9 | 5.3 |
| Mineral | 5.7 | 7.4 | 6.2 | 5.6 | 6.2 | 4.4 |
| Nye | 4.6 | 5.7 | 4.5 | 5.5 | 4.8 | 4.7 |
| Pershing | 3.6 | 3.2 | 5.0 | 2.8 | 3.4 | 3.7 |
| Storey | 6.3 | 5.7 | 4.5 | 7.9 | 7.5 | 6.0 |
| White Pine | 5.7 | 4.9 | 5.9 | 7.3 | 6.1 | 5.1 |

Almost every section of the BOS is experiencing job growth in the trade industry, but nowhere more so than Elko County. The trade growth is driven by population expansion, and Nevada's percentage population growth is expected to remain among the highest in the nation. For that reason, trade industry growth is expected to continue at roughly its current level for several months.

The service industry added the third greatest number of jobs in the BOS from the prior year, but the annual growth rate was only about 3.5 percent. Even that rate may be difficult to maintain. Limited growth is expected in HGR and other services are not expected to make up for this sluggishness.

In spite of the limited service industry growth, rural Nevada is expected to continue to create substantial numbers of new jobs through the summer. The anticipated job growth should keep the local area unemployment rates from varying greatly from the current levels. While short term fluctuations are not only possible, but expected, the long term trends should not deviate greatly from the present levels.

## THE MINIMUM WAGE AND NEVADA

by
Jim Hanna
Chief, Employment Security Research

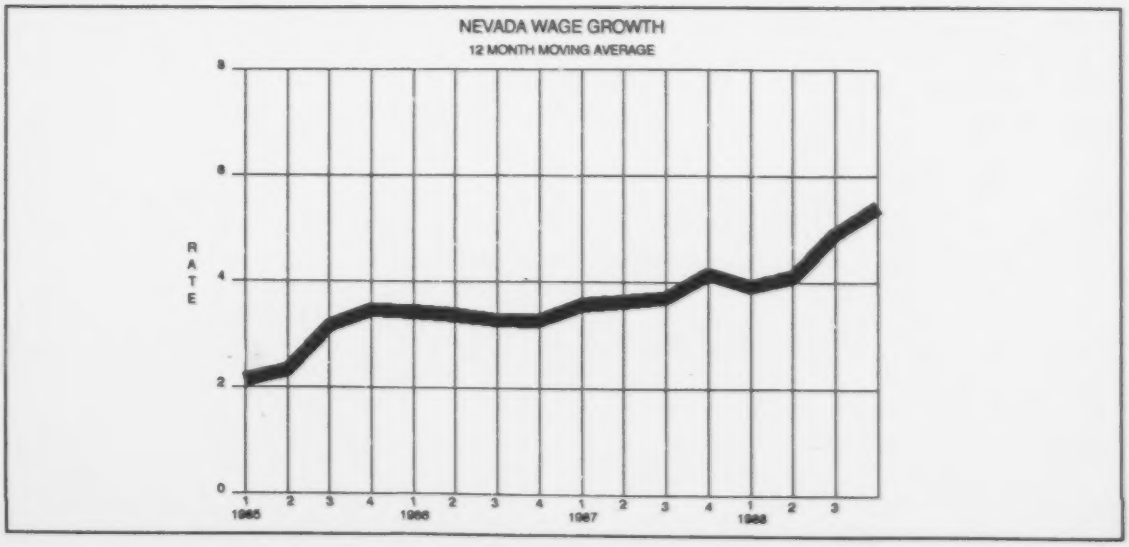
After years of debate, Congress recently passed--and the President promptly vetoed--a new minimum wage for the nation's workers. The bill, proposing the first change in the minimum wage since 1981, would have increased the floor on the hourly wage in a series of steps from its present $3.35 to $4.55 by late 1991. While Congress was unable to override the President's veto, his action has by no means put the matter to rest. Numerous bills are being considered, and the Bush administration itself has indicated it would accept a bill increasing the minimum wage to $4.25 an hour by the end of 1991, coupled with a lower six months training wage for newly hired workers.

Arguments for and against increasing the minimum wage generally take two approaches. Proponents argue that the cost of living has increased and that a higher minimum is necessary to ensure some minimal standard of living. Opponents take the position that higher minimums will result in more unemployment because employers will hire fewer unskilled workers. The latter argument generally focuses on the negative impact higher minimums will have on youth and economically disadvantaged individuals.

What generally has been missing in minimum wage arguments, at least at the state level is the number of people affected. The latest available data at the national level indicate that in 1986 5.1 million workers, or about nine percent of the nation's workers, were receiving $3.35. The same survey revealed that if the minimum was set at $4.65 in 1986, 17 percent would have been affected.

While comparable figures are not available for Nevada, it seems reasonable that the corresponding figures for 1986 would have been somewhat higher. This stems from that fact that a significant portion of our labor force is employed in service functions that are typically thought to be minimum wage occupations. Additionally, the service orientation of our economy, with a disproportionate amount of workers employed in occupations receiving tips, would allow more employers to pay the minimum.

With this in mind, what impact would a minimum wage bill along the lines of what the administration has indicated it would accept have on Nevada? Undoubtedly it would have an impact on both employees and employers, but probably not to the degree that the above statistics would suggest. The offsetting factor is what has been happening to wage levels since 1986 as noted in the following graph:



The data indicate that overall wage levels have been increasing since 1986, and that recently the rate has been accelerating. By itself this would raise hourly wage rates and reduce the proportion of workers in ranges affected by the anticipated minimum. In addition, there is considerable evidence, both anecdotal and factual, to support the notion that there has been significant increases in wages paid to workers at the lower end of the wage spectrum. Tight labor markets for entry level workers in many areas of the state have made the $3.35 wage a thing of the past. This is especially true in those occupations where tips are not a factor.

All of these factors considered, it appears that both the anticipated benefits as well as its adverse implications of an increase in the minimum wage will probably be minimal in Nevada. Market forces, not legislative ones, have already raised entry level wages.

## NEVADA RETAIL SALES 1982-1987

by
Gary Lungstrum, Labor Economist

The U.S. Department of Commerce recently released the publication 1987 Census of Retail Trade for Nevada. Comparative information is presented for the State for the years 1982 and 1987; for the year 1987 only, data is shown for selected counties and places with over 2500 inhabitants. The survey includes all establishments which are primarily engaged in selling merchandise for personal or household consumption and rendering services incidental to the sale of those goods. Sales made by manufactures, wholesalers, service establishments, or other businesses whose primary activity is other than retail trade are not included.

Standard Industrial Coding (SIC) changes occurred between the reported time periods. The 1982 data is coded on the 1972 SIC, and the 1987 data is coded to the 1987 SIC. The most significant changes occurred in SIC major groups 53 and 57, general merchandise stores and furniture and home furnishings stores, respectively. In addition, some businesses were moved from the retail classifications entirely (e.g. firms selling used automobile parts are now classified in wholesale trade). These firms were small in number and accounted for less than $4 million in sales. For comparative purposes, Table 1 shows current data that has been converted to the 1972 SIC. The amounts shown for the State will differ slightly from those in Table 2.

The distribution of sales among the major business sectors over the seven-year period has been generally maintained. Each type of business has basically sustained a constant share of total sales. Exceptions, however, are evident. The share garnered by automotive dealers rose by 3.7 percent, while that associated with gasoline service stations declined by 3.6 percent. Economic conditions in 1982, specifically a recessionary period with a coincident high rate of unemployment, helped create a situation that suppressed auto sales. Thereafter, gains were fairly rapid. A trend towards more energy efficient automobiles, self-service stations replacing full-service stations, and a probable associated drop-off in mechanical repairs helped reduce the overall sales volume at gasoline service stations.

In 1987, food stores (21.0 percent) and automotive dealers (21.6 percent) held the largest proportion of total retail sales. This, however, did not translate directly to business sectors with the largest number of employees (Table 1). Restaurants and lunchrooms, part of the eating and drinking sector, had the greatest number of employees (11,299), with refreshment places second (10,868). Grocery stores was third with 10,452 full and part-time jobs.

Between 1982 and 1987, Nevada's population grew by 20 percent from 877,380 to 1,053,230. This bulge pushed total retail sales (1972 SIC) 39.4 percent higher. Total sales were led by an increase in building material and garden supplies stores, 70.3 percent, and a gain in automotive dealers sales, 68.3 percent. On a per capita basis, sales rose from $5,987 in 1982 to $6,954 in 1987. This, however, ignores the impact of inflation. During this time period, the personal consumption expenditures segment of the U.S.

implicit price deflator grew by 19.5 percent. Measured in "real" or constant 1982 dollars, per capita sales decreased from $5,987 to $5,820 (-2.8 percent).

**Table 1**

**RETAIL SALES**

**Nevada Comparative Statistics: 1987 and 1982**

| Business | Establishments | | Sales (000's) | | | Payroll (000's) | | | Employment | |
|---|---|---|---|---|---|---|---|---|---|---|
| ( 1972 SIC) | 1987 | 1982 | 1987 | 1982 | % chg | 1987 | 1982 | % chg | 1987 | 1982 |
| RETAIL TRADE* | 6,456 | 6,010 | 7,324,607 | 5,253,079 | 39.4 | 924,784 | 667,780 | 38.5 | 81,561 | 67,371 |
| Building Materials & Garden Supplies | 285 | 263 | 444,589 | 261,105 | 70.3 | 46,561 | 32,324 | 50.2 | 3,338 | 2,446 |
| General Merchandise Stores | 101 | 119 | 839,458 | 615,226 | 36.4 | 89,250 | 75,005 | 19.0 | 7,905 | 8,549 |
| Food Stores | 745 | 660 | 1,536,533 | 1,186,555 | 29.5 | 154,600 | 116,890 | 32.3 | 11,684 | 9,318 |
| Automotive Dealers | 472 | 418 | 1,583,046 | 940,852 | 68.3 | 153,703 | 96,421 | 59.4 | 6,941 | 5,285 |
| Gasoline Service Stations | 441 | 519 | 522,788 | 564,273 | -7.4 | 41,050 | 31,843 | 28.9 | 4,462 | 3,592 |
| Apparel & Accessory Stores | 624 | 662 | 321,902 | 250,480 | 28.5 | 40,237 | 36,393 | 10.6 | 3,996 | 4,204 |
| Furniture & Home Furnishings Stores | 395 | 375 | 321,370 | 203,338 | 58.0 | 43,292 | 29,473 | 46.9 | 2,941 | 2,386 |
| Eating & Drinking Places | 1,905 | 1,658 | 759,467 | 545,446 | 39.2 | 199,396 | 144,344 | 38.1 | 28,467 | 22,168 |
| Drug & Proprietary Stores | 142 | 138 | 264,378 | 178,897 | 47.8 | 32,941 | 20,974 | 57.1 | 2,132 | 1,750 |
| Miscellaneous Retail Stores* | 1,346 | 1,198 | 731,076 | 506,907 | 44.2 | 121,754 | 84,113 | 44.8 | 9,695 | 7,673 |

*Including Used Automobile Parts and Accessory Stores

## County Retail Sales

The Clark and Washoe metropolitan areas, as expected, led all other county retailers, accounting for nearly 87 percent of the State's sales. These counties were ranked one and two, followed by Carson City, Elko and Douglas Counties. Table 2 on the following page shows sales information for each county and for places with 2,500 inhabitants or more.

## Table 2
## RETAIL SALES
### Summary Statistics: 1987

| AREA | ESTABLISHMENTS (1987 SIC) | SALES (000's) | PAYROLL (000's) | EMPLOYMENT | UNINCORPORATED BUSINESS Proprietorships | UNINCORPORATED BUSINESS Partnerships |
|---|---|---|---|---|---|---|
| NEVADA | 6,442 | 7,320,982 | 923,841 | 81,491 | 1,874 | 489 |
| Carson City | 301 | 341,420 | 38,427 | 3,438 | 108 | 38 |
| Churchill | 119 | 87,811 | 10,391 | 954 | 53 | 14 |
| Fallon | 107 | 82,776 | 9,841 | 911 | 48 | 13 |
| Balance of County | 12 | 5,035 | 550 | 43 | 5 | 1 |
| Clark | 3,524 | 4,370,337 | 556,560 | 49,889 | 796 | 208 |
| Boulder City | 67 | 36,081 | 4,351 | 453 | 30 | 3 |
| Henderson | 122 | 139,567 | 16,848 | 1,453 | 32 | 13 |
| Las Vegas | 1,521 | 1,883,237 | 237,868 | 20,443 | 357 | 91 |
| No Las Vegas | 118 | 141,565 | 18,422 | 1,735 | 30 | 8 |
| Balance of County | 1,696 | 2,169,887 | 279,071 | 25,805 | 347 | 93 |
| Douglas | 159 | 106,886 | 14,671 | 1,450 | 69 | 15 |
| Elko | 178 | 131,358 | 14,578 | 1,422 | 72 | 21 |
| Elko | 129 | 105,624 | 11,648 | 1,123 | 47 | 14 |
| Balance of County | 49 | 25,734 | 2,930 | 299 | 25 | 7 |
| Esmeralda | 10 | 2,918 | 290 | 49 | 5 | 2 |
| Eureka | 9 | 2,744 | 304 | 32 | 5 | 3 |
| Humboldt | 83 | 73,282 | 8,562 | 683 | 39 | 6 |
| Winnemucca | 73 | 69,360 | 7,716 | 613 | 34 | 5 |
| Balance of County | 10 | 3,922 | 846 | 70 | 5 | 1 |
| Lander | 27 | 12,569 | 1,211 | 197 | 17 | 4 |
| Lincoln | 22 | 6,519 | 867 | 112 | 14 | 2 |
| Lyon | 93 | 56,835 | 6,338 | 675 | 52 | 13 |
| Mineral | 46 | 25,723 | 2,672 | 235 | 19 | 3 |
| Nye | 85 | 47,287 | 5,560 | 588 | 36 | 11 |
| Pershing | 34 | 21,832 | 2,337 | 270 | 14 | 3 |
| Storey | 26 | 5,391 | 997 | 96 | 18 | -- |
| Washoe | 1,660 | 1,983,496 | 254,586 | 20,800 | 531 | 140 |
| Reno | 1,143 | 1,472,199 | 195,172 | 15,174 | 335 | 97 |
| Sparks | 303 | 367,953 | 41,581 | 3,955 | 101 | 28 |
| Balance of County | 214 | 143,344 | 17,833 | 1,671 | 95 | 15 |
| White Pine | 66 | 44,574 | 5,490 | 601 | 26 | 6 |
| Ely | 46 | 35,174 | 4,265 | 477 | 18 | 3 |
| Balance of County | 20 | 9,400 | 1,225 | 124 | 8 | 3 |

## A RECESSION AND NEVADA
### Have We Re-acquired Immunity?

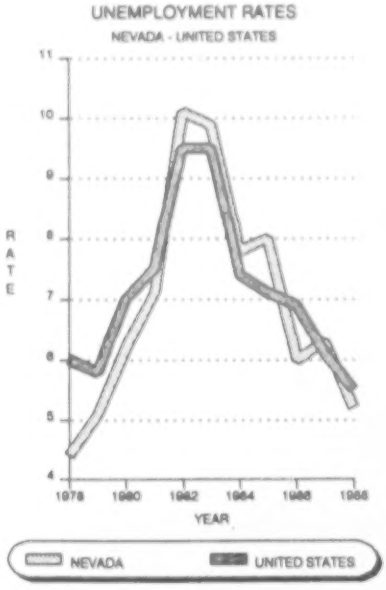
by
Mike Clarke, Labor Economist

Fears of a potential national recession have been voiced this year in almost every national newspaper and business magazine. The arguments for the inevitability of a recession range from the length of the current expansion (seven years! how long can this last?) to the 1989 inflationary trends and the higher interest rates (these high interest rates are certain to bring the economy to a stop!). Nothing guarantees the onset of a recession, but its potential effects are worth considering. If it happens, when will it happen? How bad will it be? And what will its effects be on Nevada?

Many economists and business leaders expect that a recession will occur within the next 6 to 18 months, but few expect any major problems before the end of 1989. While the severity of such a future event is difficult to totally anticipate, *The Wall Street Journal* pointed out that past recessions were either caused by or amplified by excessive business inventories, a situation that exists in only a very few industries today. In fact, the generally favorable inventory-level is one reason that many forecasters and analysts agree that any national recession will be mild and short-lived.

But if it happens, what would be the effects on Nevada? After all, Nevada has been at the nation's forefront for percentage job growth and labor market gains for the last few years. Would the national problem cripple Nevada?

The idea that the gaming industry is recession-proof was effectively destroyed in the early 1980's. During the first months of the most recent national recession, Nevada seemed to be avoiding the problem - but temporarily. Nevada's establishment-based industrial employment declined by 10,100 workers from 1981 to 1982 and rebounded only slightly in 1983. The job market in Nevada dropped by nearly 2.5 percent, while the national job market fell less than 1.8 percent. As can be seen in the accompanying chart, the unemployment rates rose sharply both nationally and locally. The chart also shows that the rate rose to a higher level for Nevada than for the nation and that Nevada's rate lagged behind the nation's when the initial decline began. Not until 1984, at least six months later than the balance of the nation, did Nevada fully recover from the recession.




There are a couple of factors that increased the severity of that recession in Nevada. The first is that the recession was largely the result of federal efforts to halt the nation's double-digit inflation. Those efforts caused massive unemployment and greatly eroded discretionary income for individuals. The discretionary income of non-State residents, essential to support the Nevada tourism industry, had disappeared.

Many analysts believe that because of the present watchfulness of the Federal Reserve Bank officials, such a level of inflation as took place in the late '70's and early '80's is unlikely to re-occur. As a result, a similar severe attack on discretionary income is equally unlikely.

In other words, the Nevada tourism industry should be less impacted than in the past. This is important because, although it has not grown as fast as the total of all of Nevada's industries, the center of Nevada's economy is still the hotels, gaming and recreation (HGR) industry. While it is difficult to attribute the last major tourism decline to any one factor, it seems possible that high inflation, high petroleum prices, and the economic fears of people all contributed to the decline. For whatever reason(s), in the last recession HGR began a decline in advance of the rest of Nevada's industries, continued the decline longer, and has grown more slowly since the recession than the total of all industries. HGR made up 28.9 percent of the State's industrial employment in 1979; ten years later, 1988, it was down to 27.1 percent of the employment.

The consensus of opinion about the expected recession, then, is that it will be short-lived, mild, and relatively inflation-free; but its effects will not be uniform across the State because the different areas have different economic foundations.

The rural areas with their strong reliance on mining are not expected to be strongly affected at all. The gold industry does not tend to parallel the business cycles. If anything, it runs counter to them, expanding whenever there are shocks to the economy as people turn to gold for its "stability." In addition, the diminishing importance of gaming in the rural areas should reduce recessionary impacts on rural tourism; and manufacturing, usually the most strongly affected of all industries in a recession, remains a relatively minor source of employment throughout Nevada.

The Reno area may be slightly more adversely affected than the rural areas because tourism is more important there than in the balance of state counties. Overall, however, economic diversification has broadened the job market in Reno. Washoe County is participating in the mining boom, both as a mining area and as a headquarters area for rural mines. The manufacturing growth of the region is broad-based which means that some portions should be exempt from any recession. And shipping and warehousing should be but minimally impacted because of Reno's extremely favorable location as an entry point into California. Reno should withstand minor national problems with minimum disruption.

Las Vegas, the final area to consider, has grown in every industry over the decade. Gaming, however, remains the cornerstone of the Clark County economic foundation. Because of the extremely dynamic nature of this area's HGR industry, the timing of any national recession could be significant. Many industry executives are currently expressing concern over the shortage of qualified workers for the existing casinos. Therefore, any industry lay-offs are apt to be minimized by the fact that firms are already short-handed. On top of that, major casino industry expansion is in process and is expected to continue for the next few years. Construction underway will probably not be halted by a national recession (although future projects may be deferred), and that construction employment will help to carry the area through any immediate recession. If, however, the recession is delayed until after most of the construction has been completed, the economic stimulus provided by construction will be gone. In addition, the casinos may have met their staffing requirements by then. If so, the problems seem likely to be far greater for Las Vegas than if the recession begins soon.

The general feeling, then, is that Nevada will weather a mild national recession quite well. The timing of the recession may determine how well, and the sooner it occurs, the less Nevada is apt to be affected.

## NEVADA LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | APR | MAY | JUN P | APR | MAY | JUN |
| CIVILIAN LABOR FORCE | 607.7 | 610.9 | 605.1 | 578.0 | 584.9 | 590.2 |
| UNEMPLOYMENT | 31.7 | 30.4 | 31.8 | 33.0 | 31.2 | 30.7 |
| UNEMPLOYMENT RATE | 5.2% | 5.0% | 5.3% | 5.7% | 5.3% | 5.2% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 5.1% | 5.3% | 5.5% | 5.6% | 5.6% | 5.4% |
| TOTAL EMPLOYMENT 1/ | 576.0 | 580.4 | 573.3 | 545.0 | 553.6 | 559.5 |
| NONAGRICULTURAL EMPLOYMENT | 570.2 | 574.8 | 567.2 | 537.2 | 545.6 | 551.6 |
| AGRICULTURAL EMPLOYMENT | 5.8 | 5.6 | 6.1 | 7.9 | 8.1 | 7.9 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | APR | MAY | JUN P | APR | MAY | JUN |
| TOTAL NONAGRICULTURAL | 563.4 | 570.2 | 574.7 | 526.8 | 534.3 | 538.8 |
| MINING | 12.6 | 12.7 | 13.0 | 10.1 | 10.5 | 11.1 |
| METAL MINING | 11.2 | 11.4 | 11.7 | 9.1 | 9.4 | 9.9 |
| CONSTRUCTION | 41.0 | 42.6 | 44.1 | 33.1 | 35.1 | 37.3 |
| MANUFACTURING | 26.1 | 26.3 | 26.3 | 24.7 | 24.7 | 25.2 |
| DURABLE GOODS | 15.8 | 15.9 | 15.9 | 14.9 | 14.9 | 15.3 |
| STONE, CLAY & GLASS PRODUCTS | 2.1 | 2.1 | 2.1 | 1.9 | 1.9 | 2.0 |
| PRIMARY METAL INDUSTRIES | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 |
| NON-DURABLE GOODS | 10.3 | 10.4 | 10.4 | 9.8 | 9.8 | 9.9 |
| FOOD PRODUCTS | 1.7 | 1.7 | 1.7 | 1.6 | 1.6 | 1.6 |
| PRINTING & PUBLISHING | 4.5 | 4.5 | 4.6 | 4.3 | 4.3 | 4.4 |
| CHEMICALS | 0.7 | 0.7 | 0.7 | 0.8 | 0.7 | 0.7 |
| TRANSPORTATION & PUBLIC UTILITIES | 30.1 | 30.3 | 30.6 | 28.4 | 28.8 | 29.1 |
| TRANSPORTATION | 18.0 | 18.3 | 18.5 | 16.6 | 16.9 | 17.1 |
| RAILROAD | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| TRUCKING & WAREHOUSE | 5.2 | 5.4 | 5.4 | 4.8 | 4.9 | 4.9 |
| AIR | 4.5 | 4.6 | 4.7 | 4.3 | 4.4 | 4.4 |
| PUBLIC UTILITIES | 12.1 | 12.0 | 12.1 | 11.8 | 11.9 | 12.0 |
| TOTAL TRADE | 113.4 | 114.8 | 116.3 | 107.3 | 108.0 | 109.1 |
| WHOLESALE | 21.3 | 21.3 | 21.6 | 20.2 | 19.9 | 20.1 |
| RETAIL | 92.1 | 93.5 | 94.7 | 87.1 | 88.1 | 89.0 |
| GENERAL MERCHANDISE & APPAREL | 15.8 | 16.1 | 16.1 | 14.8 | 15.0 | 15.1 |
| FOOD STORES | 12.9 | 13.1 | 13.3 | 12.6 | 12.9 | 13.3 |
| AUTO DEALERS & SERVICE STATIONS | 12.3 | 12.4 | 12.7 | 11.6 | 11.6 | 12.0 |
| EATING & DRINKING PLACES | 31.3 | 31.8 | 32.4 | 30.1 | 30.4 | 30.2 |
| FINANCE, INSURANCE & REAL ESTATE | 25.9 | 26.1 | 26.4 | 24.1 | 24.4 | 24.6 |
| FINANCE | 11.6 | 11.6 | 11.6 | 11.0 | 11.1 | 11.1 |
| SERVICE INDUSTRIES | 242.7 | 245.5 | 249.2 | 231.5 | 234.7 | 237.2 |
| HOTELS, GAMING & RECREATION | 149.3 | 151.2 | 154.6 | 143.5 | 145.8 | 147.1 |
| PERSONAL | 6.9 | 6.9 | 6.9 | 6.2 | 6.2 | 6.3 |
| BUSINESS | 30.3 | 30.6 | 30.5 | 29.2 | 29.4 | 29.3 |
| MEDICAL & HEALTH | 23.6 | 23.6 | 23.7 | 22.2 | 22.3 | 22.8 |
| GOVERNMENT | 71.6 | 71.9 | 68.8 | 67.6 | 68.1 | 65.2 |
| FEDERAL | 11.8 | 11.7 | 11.9 | 11.2 | 11.3 | 11.5 |
| STATE & LOCAL | 59.8 | 60.2 | 56.9 | 56.4 | 56.8 | 53.7 |
| EDUCATION - STATE & LOCAL | 28.4 | 28.6 | 24.5 | 26.4 | 26.5 | 22.6 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## LAS VEGAS LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | APR | MAY | JUN P | APR | MAY | JUN |
| CIVILIAN LABOR FORCE | 358.6 | 359.6 | 354.1 | 338.5 | 341.7 | 343.6 |
| UNEMPLOYMENT | 19.1 | 18.4 | 19.5 | 20.4 | 19.4 | 19.9 |
| UNEMPLOYMENT RATE | 5.3% | 5.1% | 5.5% | 6.0% | 5.7% | 5.8% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 5.4% | 5.4% | 5.5% | 6.2% | 6.0% | 5.9% |
| TOTAL EMPLOYMENT 1/ | 339.5 | 341.2 | 334.5 | 318.0 | 322.3 | 323.7 |
| NONAGRICULTURAL EMPLOYMENT | 338.1 | 339.8 | 333.1 | 316.1 | 320.3 | 321.7 |
| AGRICULTURAL EMPLOYMENT | 1.4 | 1.4 | 1.5 | 1.9 | 2.0 | 1.9 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | APR | MAY | JUN P | APR | MAY | JUN |
| TOTAL NONAGRICULTURAL | 325.2 | 328.4 | 328.4 | 301.5 | 304.7 | 305.5 |
| MINING | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| CONSTRUCTION | 26.7 | 27.5 | 28.2 | 20.5 | 21.7 | 22.8 |
| MANUFACTURING | 10.2 | 10.3 | 10.3 | 9.4 | 9.3 | 9.4 |
| DURABLE GOODS | 5.2 | 5.2 | 5.2 | 4.6 | 4.6 | 4.7 |
| STONE, CLAY, & GLASS PRODUCTS | 1.1 | 1.2 | 1.2 | 1.0 | 1.0 | 1.1 |
| NON-DURABLE GOODS | 5.0 | 5.1 | 5.1 | 4.8 | 4.7 | 4.7 |
| FOOD PRODUCTS | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| PRINTING & PUBLISHING | 2.4 | 2.4 | 2.5 | 2.2 | 2.2 | 2.2 |
| CHEMICALS | 0.5 | 0.5 | 0.5 | 0.6 | 0.5 | 0.5 |
| TRANSPORTATION & PUBLIC UTILITIES | 17.1 | 17.1 | 17.2 | 16.1 | 16.3 | 16.4 |
| TRANSPORTATION | 10.5 | 10.7 | 10.7 | 9.8 | 9.9 | 10.0 |
| RAILROAD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| AIR | 2.9 | 2.9 | 3.0 | 2.8 | 2.9 | 2.9 |
| PUBLIC UTILITIES | 6.6 | 6.4 | 6.5 | 6.3 | 6.4 | 6.4 |
| TOTAL TRADE | 66.7 | 67.3 | 67.8 | 63.9 | 63.8 | 63.7 |
| WHOLESALE | 11.6 | 11.6 | 11.7 | 11.0 | 10.7 | 10.7 |
| RETAIL | 55.1 | 55.7 | 56.1 | 52.9 | 53.1 | 53.0 |
| GENERAL MERCHANDISE & APPAREL | 8.8 | 9.0 | 9.0 | 8.4 | 8.5 | 8.6 |
| EATING & DRINKING PLACES | 19.7 | 20.0 | 20.0 | 19.4 | 19.4 | 19.0 |
| FINANCE, INSURANCE & REAL ESTATE | 16.4 | 16.6 | 16.7 | 14.8 | 15.0 | 15.2 |
| FINANCE | 7.6 | 7.6 | 7.6 | 6.9 | 6.9 | 7.0 |
| SERVICE INDUSTRIES | 151.3 | 152.8 | 153.7 | 142.2 | 143.9 | 145.3 |
| HOTELS, GAMING & RECREATION | 99.3 | 100.3 | 101.1 | 93.7 | 94.9 | 95.7 |
| PERSONAL | 4.6 | 4.6 | 4.6 | 4.0 | 4.0 | 4.1 |
| BUSINESS | 15.4 | 15.8 | 15.5 | 15.0 | 15.1 | 14.8 |
| GOVERNMENT | 36.6 | 36.6 | 34.3 | 34.4 | 34.5 | 32.5 |
| FEDERAL | 6.6 | 6.5 | 6.5 | 6.3 | 6.3 | 6.4 |
| STATE & LOCAL | 30.0 | 30.1 | 27.8 | 28.1 | 28.2 | 26.1 |
| EDUCATION - STATE & LOCAL | 15.0 | 15.0 | 12.3 | 13.8 | 13.8 | 11.3 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## RENO LABOR FORCE SUMMARY

### (ESTIMATES IN THOUSANDS)

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | APR | MAY | JUN P | APR | MAY | JUN |
| CIVILIAN LABOR FORCE | 142.2 | 143.4 | 142.8 | 138.6 | 140.2 | 140.7 |
| UNEMPLOYMENT % | 6.8 | 6.5 | 6.7 | 7.1 | 6.6 | 6.0 |
| UNEMPLOYMENT RATE | 4.8% | 4.6% | 4.7% | 5.1% | 4.7% | 4.3% |
| UNEMP. RATE (SEASONALLY ADJUSTED) | 4.7% | 4.9% | 5.2% | 5.0% | 5.0% | 4.7% |
| TOTAL EMPLOYMENT 1/ | 135.4 | 136.8 | 136.1 | 131.5 | 133.6 | 134.7 |
| NONAGRICULTURAL EMPLOYMENT | 134.6 | 136.1 | 135.3 | 130.5 | 132.5 | 133.7 |
| AGRICULTURAL EMPLOYMENT | 0.8 | 0.8 | 0.8 | 1.1 | 1.1 | 1.1 |
| PERSONS INVOLVED IN WORK STOPPAGES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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## ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

| | 1989 | | | 1988 | | |
|---|---|---|---|---|---|---|
| | APR | MAY | JUN P | APR | MAY | JUN |
| TOTAL NONAGRICULTURAL | 140.8 | 142.8 | 144.8 | 135.3 | 136.9 | 137.5 |
| MINING | 1.4 | 1.4 | 1.5 | 1.2 | 1.2 | 1.3 |
| CONSTRUCTION | 8.0 | 8.3 | 8.7 | 7.0 | 7.3 | 7.7 |
| MANUFACTURING | 8.9 | 9.0 | 9.0 | 8.6 | 8.6 | 8.8 |
| DURABLE GOODS | 5.6 | 5.6 | 5.6 | 5.4 | 5.4 | 5.6 |
| NON-DURABLE GOODS | 3.3 | 3.4 | 3.4 | 3.2 | 3.2 | 3.2 |
| TRANSPORTATION & PUBLIC UTILITIES | 9.6 | 9.7 | 9.8 | 9.2 | 9.3 | 9.4 |
| TRANSPORTATION | 5.4 | 5.5 | 5.5 | 5.0 | 5.1 | 5.2 |
| RAILROAD | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| TRANSPORTATION EXCL. RAILROAD | 5.1 | 5.2 | 5.2 | 4.7 | 4.8 | 4.9 |
| PUBLIC UTILITIES | 4.2 | 4.2 | 4.3 | 4.2 | 4.2 | 4.2 |
| TOTAL TRADE | 32.7 | 33.0 | 33.6 | 30.4 | 30.6 | 31.3 |
| WHOLESALE | 7.9 | 7.9 | 8.0 | 7.5 | 7.5 | 7.7 |
| RETAIL | 24.8 | 25.1 | 25.6 | 22.9 | 23.1 | 23.6 |
| GENERAL MERCHANDISE & APPAREL | 5.9 | 5.9 | 6.0 | 5.4 | 5.4 | 5.5 |
| EATING & DRINKING PLACES | 7.3 | 7.3 | 7.6 | 6.5 | 6.6 | 6.7 |
| FINANCE, INSURANCE & REAL ESTATE | 7.0 | 7.1 | 7.2 | 6.9 | 6.9 | 6.9 |
| SERVICE INDUSTRIES | 55.7 | 56.6 | 58.1 | 54.9 | 55.7 | 55.7 |
| HOTELS, GAMING & RECREATION | 30.4 | 31.1 | 32.3 | 30.8 | 31.7 | 31.2 |
| PERSONAL | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |
| GOVERNMENT | 17.5 | 17.7 | 16.9 | 17.1 | 17.3 | 16.4 |
| FEDERAL | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 |
| STATE & LOCAL | 14.6 | 14.8 | 14.0 | 14.2 | 14.4 | 13.5 |
| EDUCATION - STATE & LOCAL | 8.4 | 8.5 | 7.5 | 7.9 | 8.0 | 7.0 |

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

## AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

| | AVERAGE WEEKLY EARNINGS | | | AVERAGE WEEKLY HOURS | | | AVERAGE HOURLY EARNINGS | | |
|---|---|---|---|---|---|---|---|---|---|
| | APR 1989 | MAY 1989 | JUN P 1989 | APR 1989 | MAY 1989 | JUN P 1989 | APR 1989 | MAY 1989 | JUN P 1989 |
| MINING | $ 706.46 | 656.89 | 649.95 | 44.6 | 42.6 | 43.1 | 15.84 | 15.42 | 15.08 |
| CONSTRUCTION | 627.13 | 622.70 | 631.30 | 38.1 | 37.9 | 37.6 | 16.46 | 16.43 | 16.79 |
| MANUFACTURING | 420.04 | 428.64 | 419.22 | 41.1 | 41.9 | 41.1 | 10.22 | 10.23 | 10.20 |
| DURABLE GOODS | 442.46 | 458.49 | 451.97 | 42.3 | 43.5 | 42.8 | 10.46 | 10.54 | 10.56 |
| STONE, CLAY & GLASS | 622.44 | 629.75 | 621.30 | 45.5 | 45.7 | 46.4 | 13.68 | 13.78 | 13.39 |
| PRIMARY METALS | 599.66 | 616.03 | 623.41 | 40.3 | 41.4 | 37.6 | 14.88 | 14.88 | 16.58 |
| NONDURABLE GOODS | 380.83 | 377.71 | 362.33 | 38.9 | 39.1 | 38.1 | 9.79 | 9.66 | 9.51 |
| PRINTING & PUBLISHING | 380.38 | 385.13 | 368.77 | 36.4 | 37.5 | 37.1 | 10.45 | 10.27 | 9.94 |
| PUBLIC UTILITIES | 634.94 | 627.82 | 680.20 | 41.8 | 40.9 | 41.4 | 15.19 | 15.35 | 16.43 |
| TRADE | 330.76 | 325.03 | 333.66 | 35.3 | 35.1 | 35.8 | 9.37 | 9.26 | 9.32 |

P = PRELIMINARY

## AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

| | AVERAGE WEEKLY EARNINGS | | | AVERAGE WEEKLY HOURS | | | AVERAGE HOURLY EARNINGS | | |
|---|---|---|---|---|---|---|---|---|---|
| | APR 1989 | MAY 1989 | JUN P 1989 | APR 1989 | MAY 1989 | JUN P 1989 | APR 1989 | MAY 1989 | JUN P 1989 |
| CONSTRUCTION | 610.95 | 609.90 | 605.53 | 37.9 | 38.0 | 36.9 | 16.12 | 16.05 | 16.41 |
| MANUFACTURING | 542.30 | 540.27 | 541.31 | 42.6 | 43.5 | 41.8 | 12.73 | 12.42 | 12.95 |
| DURABLE GOODS | 606.19 | 621.43 | 615.17 | 43.8 | 46.1 | 43.2 | 13.84 | 13.48 | 14.24 |
| NONDURABLE GOODS | 444.04 | 417.78 | 421.47 | 40.7 | 39.6 | 39.5 | 10.91 | 10.55 | 10.67 |
| TRANSPORT. & UTILITIES | 549.83 | 535.30 | 544.45 | 42.1 | 40.8 | 40.3 | 13.06 | 13.12 | 13.51 |
| WHOLESALE TRADE | 443.64 | 431.91 | 451.28 | 39.4 | 39.3 | 41.1 | 11.26 | 10.99 | 10.98 |
| RETAIL TRADE | 254.84 | 250.75 | 254.08 | 33.4 | 33.3 | 32.7 | 7.63 | 7.53 | 7.77 |

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT
500 E. THIRD STREET
CARSON CITY, NEVADA 89713-0001

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4520 E. WEST HIGHWAY
BETHESDA, MD 20814